

As Reported by the House Civil and Commercial Law Committee

127th General Assembly

Regular Session

2007-2008

Sub. H. B. No. 332

Representative Wagoner

Cosponsors: Representatives Combs, Webster, Seitz, Yates, Latta,

McGregor, J., Hite, Stebelton, Oelslager, Coley, Hughes

—

A BILL

To amend sections 111.16, 1329.01, 1329.04, and 1
2329.66 and to enact sections 1775.66, 1776.01 to 2
1776.08, 1776.10 to 1776.12, 1776.21 to 1776.24, 3
1776.31 to 1776.38, 1776.41 to 1776.58, 1776.61 to 4
1776.79, 1776.81 to 1776.89, 1776.91, 1776.92, 5
1776.95, 1776.96, 1777.07, 1779.12, 1782.64, and 6
2307.30 of the Revised Code to adopt the Revised 7
Uniform Partnership Act to be known as the "Ohio 8
Uniform Partnership Act (1997)," to establish that 9
on and after January 1, 2009, the act governs new 10
partnerships and partnerships that elect to be 11
governed by the act, to establish that effective 12
January 1, 2010, the act governs all partnerships 13
in Ohio, and to establish that effective January 14
1, 2010, the existing Ohio Partnership Law no 15
longer governs partnerships. 16

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 111.16, 1329.01, 1329.04, and 17
2329.66 be amended and sections 1775.66, 1776.01, 1776.02, 18
1776.03, 1776.04, 1776.05, 1776.06, 1776.07, 1776.08, 1776.10, 19

1776.11, 1776.12, 1776.21, 1776.22, 1776.23, 1776.24, 1776.31, 20
1776.32, 1776.33, 1776.34, 1776.35, 1776.36, 1776.37, 1776.38, 21
1776.41, 1776.42, 1776.43, 1776.44, 1776.45, 1776.46, 1776.47, 22
1776.48, 1776.49, 1776.50, 1776.51, 1776.52, 1776.53, 1776.54, 23
1776.55, 1776.56, 1776.57, 1776.58, 1776.61, 1776.62, 1776.63, 24
1776.64, 1776.65, 1776.66, 1776.67, 1776.68, 1776.69, 1776.70, 25
1776.71, 1776.72, 1776.73, 1776.74, 1776.75, 1776.76, 1776.77, 26
1776.78, 1776.79, 1776.81, 1776.82, 1776.83, 1776.84, 1776.85, 27
1776.86, 1776.87, 1776.88, 1776.89, 1776.91, 1776.92, 1776.95, 28
1776.96, 1777.07, 1779.12, 1782.64, and 2307.30 of the Revised 29
Code be enacted to read as follows: 30

Sec. 111.16. The secretary of state shall charge and collect, 31
for the benefit of the state, the following fees: 32

(A) For filing and recording articles of incorporation of a 33
domestic corporation, including designation of agent: 34

(1) Wherein the corporation shall not be authorized to issue 35
any shares of capital stock, one hundred twenty-five dollars; 36

(2) Wherein the corporation shall be authorized to issue 37
shares of capital stock, with or without par value: 38

(a) Ten cents for each share authorized up to and including 39
one thousand shares; 40

(b) Five cents for each share authorized in excess of one 41
thousand shares up to and including ten thousand shares; 42

(c) Two cents for each share authorized in excess of ten 43
thousand shares up to and including fifty thousand shares; 44

(d) One cent for each share authorized in excess of fifty 45
thousand shares up to and including one hundred thousand shares; 46

(e) One-half cent for each share authorized in excess of one 47
hundred thousand shares up to and including five hundred thousand 48

shares;	49
(f) One-quarter cent for each share authorized in excess of	50
five hundred thousand shares; provided no fee shall be less than	51
one hundred twenty-five dollars or greater than one hundred	52
thousand dollars.	53
(B) For filing and recording a certificate of amendment to or	54
amended articles of incorporation of a domestic corporation, or	55
for filing and recording a certificate of reorganization, a	56
certificate of dissolution, or an amendment to a foreign license	57
application:	58
(1) If the domestic corporation is not authorized to issue	59
any shares of capital stock, fifty dollars;	60
(2) If the domestic corporation is authorized to issue shares	61
of capital stock, fifty dollars, and in case of any increase in	62
the number of shares authorized to be issued, a further sum	63
computed in accordance with the schedule set forth in division	64
(A)(2) of this section less a credit computed in the same manner	65
for the number of shares previously authorized to be issued by the	66
corporation; provided no fee under division (B)(2) of this section	67
shall be greater than one hundred thousand dollars;	68
(3) If the foreign corporation is not authorized to issue any	69
shares of capital stock, fifty dollars;	70
(4) If the foreign corporation is authorized to issue shares	71
of capital stock, fifty dollars.	72
(C) For filing and recording articles of incorporation of a	73
savings and loan association, one hundred twenty-five dollars; and	74
for filing and recording a certificate of amendment to or amended	75
articles of incorporation of a savings and loan association, fifty	76
dollars;	77
(D) For filing and recording a certificate of conversion,	78

including a designation of agent, a certificate of merger, or a 79
certificate of consolidation, one hundred twenty-five dollars and, 80
in the case of any new corporation resulting from a consolidation 81
or any surviving corporation that has an increased number of 82
shares authorized to be issued resulting from a merger, an 83
additional sum computed in accordance with the schedule set forth 84
in division (A)(2) of this section less a credit computed in the 85
same manner for the number of shares previously authorized to be 86
issued or represented in this state by each of the corporations 87
for which a consolidation or merger is effected by the 88
certificate; 89

(E) For filing and recording articles of incorporation of a 90
credit union or the American credit union guaranty association, 91
one hundred twenty-five dollars, and for filing and recording a 92
certificate of increase in capital stock or any other amendment of 93
the articles of incorporation of a credit union or the 94
association, fifty dollars; 95

(F) For filing and recording articles of organization of a 96
limited liability company, for filing and recording an application 97
to become a registered foreign limited liability company, for 98
filing and recording a registration application to become a 99
domestic limited liability partnership, or for filing and 100
recording an application to become a registered foreign limited 101
liability partnership, one hundred twenty-five dollars; 102

(G) For filing and recording a certificate of limited 103
partnership or an application for registration as a foreign 104
limited partnership, or for filing an initial statement of 105
partnership authority pursuant to section 1776.33 of the Revised 106
Code, one hundred twenty-five dollars. 107

(H) For filing a copy of papers evidencing the incorporation 108
of a municipal corporation or of annexation of territory by a 109
municipal corporation, five dollars, to be paid by the municipal 110

corporation, the petitioners therefor, or their agent;	111
(I) For filing and recording any of the following:	112
(1) A license to transact business in this state by a foreign corporation for profit pursuant to section 1703.04 of the Revised Code or a foreign nonprofit corporation pursuant to section 1703.27 of the Revised Code, one hundred twenty-five dollars;	113 114 115 116
(2) A biennial report or biennial statement pursuant to section 1775.63 or 1785.06 of the Revised Code, <u>or an annual report pursuant to section 1776.83 of the Revised Code</u> , twenty-five dollars;	117 118 119 120
(3) Except as otherwise provided in this section or any other section of the Revised Code, any other certificate or paper that is required to be filed and recorded or is permitted to be filed and recorded by any provision of the Revised Code with the secretary of state, twenty-five dollars.	121 122 123 124 125
(J) For filing any certificate or paper not required to be recorded, five dollars;	126 127
(K)(1) For making copies of any certificate or other paper filed in the office of the secretary of state, a fee not to exceed one dollar per page, except as otherwise provided in the Revised Code, and for creating and affixing the seal of the office of the secretary of state to any good standing or other certificate, five dollars. For copies of certificates or papers required by state officers for official purpose, no charge shall be made.	128 129 130 131 132 133 134
(2) For creating and affixing the seal of the office of the secretary of state to the certificates described in division (E) of section 1701.81, division (E) of section 1701.811, division (E) of section 1705.38, division (E) of section 1705.381, division (D) of section 1702.43, division (E) of section 1775.47, division (E) of section 1775.55, <u>division (E) of section 1776.70, division (E) of section 1776.74</u> , division (E) of section 1782.433, or division	135 136 137 138 139 140 141

(E) of section 1782.4310 of the Revised Code, twenty-five dollars.	142
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(L) For a minister's license to solemnize marriages, ten dollars;	144
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(M) For examining documents to be filed at a later date for the purpose of advising as to the acceptability of the proposed filing, fifty dollars;	146
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(N) Fifty dollars for filing and recording any of the following:	149
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(1) A certificate of dissolution and accompanying documents, or a certificate of cancellation, under section 1701.86, 1702.47, 1705.43, <u>1776.65</u> , or 1782.10 of the Revised Code;	151
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(2) A notice of dissolution of a foreign licensed corporation or a certificate of surrender of license by a foreign licensed corporation under section 1703.17 of the Revised Code;	154
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(3) The withdrawal of registration of a foreign or domestic limited liability partnership under section 1775.61 or <u>1775.64</u> , <u>1776.81</u> , or <u>1776.86</u> of the Revised Code, or the certificate of cancellation of registration of a foreign limited liability company under section 1705.57 of the Revised Code;	157
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(4) The filing of a <u>statement of denial under section 1776.34 of the Revised Code, a statement of dissociation under section 1776.57 of the Revised Code, a statement of disclaimer of general partner status under Chapter 1782. of the Revised Code, or a cancellation of disclaimer of general partner status under Chapter 1782. of the Revised Code.</u>	162
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(O) For filing a statement of continued existence by a nonprofit corporation, twenty-five dollars;	168
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(P) For filing a restatement under section 1705.08 or 1782.09 of the Revised Code, an amendment to a certificate of cancellation	170
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under section 1782.10 of the Revised Code, an amendment under 172
section 1705.08 or 1782.09 of the Revised Code, or a correction 173
under section 1705.55, 1775.61, 1775.64, 1776.12, or 1782.52 of 174
the Revised Code, fifty dollars; 175

(Q) For filing for reinstatement of an entity cancelled by 176
operation of law, by the secretary of state, by order of the 177
department of taxation, or by order of a court, twenty-five 178
dollars; 179

(R) For filing a change of agent, resignation of agent, or 180
change of agent's address under section 1701.07, 1702.06, 181
1703.041, 1703.27, 1705.06, 1705.55, 1746.04, 1747.03, or 1782.04 182
of the Revised Code, twenty-five dollars; 183

(S) For filing and recording any of the following: 184

(1) An application for the exclusive right to use a name or 185
an application to reserve a name for future use under section 186
1701.05, 1702.05, 1703.31, 1705.05, or 1746.06 of the Revised 187
Code, fifty dollars; 188

(2) A trade name or fictitious name registration or report, 189
fifty dollars; 190

(3) An application to renew any item covered by division 191
(S)(1) or (2) of this section that is permitted to be renewed, 192
twenty-five dollars; 193

(4) An assignment of rights for use of a name covered by 194
division (S)(1), (2), or (3) of this section, the cancellation of 195
a name registration or name reservation that is so covered, or 196
notice of a change of address of the registrant of a name that is 197
so covered, twenty-five dollars. 198

(T) For filing and recording a report to operate a business 199
trust or a real estate investment trust, either foreign or 200
domestic, one hundred twenty-five dollars; and for filing and 201

recording an amendment to a report or associated trust instrument, 202
or a surrender of authority, to operate a business trust or real 203
estate investment trust, fifty dollars; 204

(U)(1) For filing and recording the registration of a 205
trademark, service mark, or mark of ownership, one hundred 206
twenty-five dollars; 207

(2) For filing and recording the change of address of a 208
registrant, the assignment of rights to a registration, a renewal 209
of a registration, or the cancellation of a registration 210
associated with a trademark, service mark, or mark of ownership, 211
twenty-five dollars. 212

(V) For filing a service of process with the secretary of 213
state, five dollars, except as otherwise provided in any section 214
of the Revised Code. 215

Fees specified in this section may be paid by cash, check, or 216
money order, by credit card in accordance with section 113.40 of 217
the Revised Code, or by an alternative payment program in 218
accordance with division (B) of section 111.18 of the Revised 219
Code. Any credit card number or the expiration date of any credit 220
card is not subject to disclosure under Chapter 149. of the 221
Revised Code. 222

Sec. 1329.01. (A) As used in sections 1329.01 to 1329.10 of 223
the Revised Code: 224

(1) "Trade name" means a name used in business or trade to 225
designate the business of the user and to which the user asserts a 226
right to exclusive use. 227

(2) "Fictitious name" means a name used in business or trade 228
that is fictitious and that the user has not registered or is not 229
entitled to register as a trade name. It does not include the name 230
of record of any domestic corporation that is formed under Chapter 231

1701. or 1702. of the Revised Code, any foreign corporation that 232
is registered pursuant to Chapter 1703. of the Revised Code, any 233
domestic or foreign limited liability company that is formed under 234
or registered pursuant to Chapter 1705. of the Revised Code, any 235
domestic or foreign limited partnership that is formed under or 236
registered pursuant to Chapter 1782. of the Revised Code, or any 237
domestic or foreign limited liability partnership that is formed 238
under or registered pursuant to Chapter 1775. of the Revised Code. 239

(3) "Person" includes any individual, general partnership, 240
limited partnership, limited liability partnership, corporation, 241
association, professional association, limited liability company, 242
society, foundation, federation, or organization formed under the 243
laws of this state or any other state. 244

(B) Subject to sections 1329.01 to 1329.10 of the Revised 245
Code, any person may register with the secretary of state, on a 246
form prescribed by the secretary of state, any trade name under 247
which the person is operating, setting forth all of the following: 248

(1) The name and business address of the applicant for 249
registration and any of the following that is applicable: 250

(a) If the applicant is a general partnership, the ~~names~~ name 251
and ~~residence addresses~~ address of ~~all of the partners~~ at least 252
one partner or the identifying number the secretary of state 253
assigns to the partnership pursuant to section 1776.05 of the 254
Revised Code; 255

~~(b) If the applicant is a limited partnership existing prior~~ 256
~~to July 1, 1994, that has not registered with the secretary of~~ 257
~~state pursuant to Chapter 1782. of the Revised Code, the name of~~ 258
~~the Ohio county in which its certificate of limited partnership or~~ 259
~~application for registration as a foreign limited partnership is~~ 260
~~filed;~~ 261

~~(c) If the applicant is a limited partnership to which~~ 262

~~division (B)(1)(b) of this section does not apply or is,~~ a 263
corporation, professional association, limited liability company, 264
or other entity, the form of the entity and the state under the 265
laws of which it was formed. 266

(2) The trade name to be registered; 267

(3) The general nature of the business conducted by the 268
applicant; 269

(4) The length of time during which the trade name has been 270
used by the applicant in business operations in this state. 271

(C) The trade name application shall be signed by the 272
applicant or by any authorized representative of the applicant. 273

A single trade name may be registered upon each trade name 274
application submitted under sections 1329.01 to 1329.10 of the 275
Revised Code. 276

The trade name application shall be accompanied by a filing 277
fee of fifty dollars, payable to the secretary of state. 278

(D) Any person who does business under a fictitious name and 279
who has not registered and does not wish to register the 280
fictitious name as a trade name or who cannot do so because the 281
name is not available for registration shall report the use of the 282
fictitious name to the secretary of state, on a form prescribed by 283
the secretary of state, setting forth all of the following: 284

(1) The name and business address of the user and any of the 285
following that is applicable: 286

(a) If the user is a general partnership, the ~~names~~ name and 287
~~residence addresses~~ address of ~~all the partners~~ at least one 288
partner or the identifying number the secretary of state assigns 289
to the partnership pursuant to section 1775.105 of the Revised 290
Code; 291

(b) ~~If the user is a limited partnership existing prior to~~ 292

~~July 1, 1994, that has not been registered with the secretary of 293
state pursuant to Chapter 1782. of the Revised Code, the name of 294
the Ohio county in which its certificate of limited partnership or 295
application for registration as a foreign limited partnership is 296
filed; 297~~

~~(e) If the user is a limited partnership to which division 298
(D)(1)(b) of this section does not apply or is, a corporation, 299
professional association, limited liability company, or other 300
entity, the form of the entity and the state under whose laws it 301
was formed. 302~~

(2) The fictitious name being used; 303

(3) The general nature of the business conducted by the user. 304

(E) The report of use of a fictitious name shall be signed by 305
the user or by any authorized representative of the user. 306

A single fictitious name may be registered upon each 307
fictitious name report submitted under sections 1329.01 to 1329.10 308
of the Revised Code. 309

The fictitious name report shall be accompanied by a filing 310
fee of fifty dollars, payable to the secretary of state. 311

A report under this division shall be made within thirty days 312
after the date of the first use of the fictitious name. 313

Sec. 1329.04. Registration of a trade name or report of a 314
fictitious name, under sections 1329.01 to 1329.10 of the Revised 315
Code, shall be effective for a term of five years from the date of 316
registration or report. Upon application filed within six months 317
prior to the expiration of such term, on a form furnished by the 318
secretary of state, the registration or report may be renewed at 319
the end of each five-year period for a like term, provided that a 320
general partnership shall renew its registration or report 321
whenever ~~there has been a change in the listing of partners~~ any 322

~~partner named~~ on its registration or report ~~and a limited~~ 323
~~partnership shall renew its registration or report when a change~~ 324
~~occurs in the listing of its general partners on its registration~~ 325
~~or report~~ ceases to be a partner. Such a renewal shall extend the 326
registration or report for five years, unless further changes 327
occur in the interim. The renewal fee specified in division (S)(3) 328
of section 111.16 of the Revised Code, payable to the secretary of 329
state, shall accompany the application for renewal of the 330
registration or report. 331

The secretary of state shall notify persons who have 332
registered trade names or reported fictitious names, within the 333
six months next preceding the expiration of the five years from 334
the date of registration or report, of the necessity of renewal by 335
writing to the last known address of such persons. 336

Sec. 1775.66. (A) This chapter does not govern any 337
partnership on and after the first day of January, 2010. 338

(B) This chapter does not govern any partnership that is 339
formed on or after the first day of January, 2009. Chapter 1776. 340
of the Revised Code governs any partnership formed on or after 341
that date. 342

(C) This chapter does not govern any partnership that elects 343
to be governed by Chapter 1776. of the Revised Code pursuant to 344
procedures in division (C) of section 1776.95 of the Revised Code, 345
on and after the date the partnership elects to be governed by 346
that chapter. 347

Sec. 1776.01. As used in this chapter: 348

(A) "Business" includes every trade, occupation, and 349
profession. 350

(B) "Debtor in bankruptcy" means a person who is the subject 351
of an order for relief under Title 11 of the United States Code, a 352

comparable order under a successor statute of general application, 353
or a comparable order under any federal, state, or foreign law 354
governing insolvency. 355

(C) "Constituent" means in a merger or consolidation, the 356
domestic or foreign entity that merges into another entity, the 357
entity into which another entity is merged, or an existing entity 358
consolidated along with another entity into a new entity. 359

(D) "Distribution" means a transfer of money or other 360
property from a partnership to a partner in the partner's capacity 361
as a partner, or to a transferee of the partner. 362

(E) "Domestic partnership" means a partnership formed under 363
section 1776.22 of the Revised Code or a predecessor law. 364

(F) "Economic interest" means a partner's share of the 365
profits and losses of a partnership and the partner's right to 366
receive distributions. 367

(G) "Entity" means any of the following: 368

(1) A for-profit corporation existing under the laws of this 369
state or any other state; 370

(2) Any of the following organizations existing under the 371
laws of this state, the United States, or any other state: 372

(a) A business trust or association; 373

(b) A real estate investment trust; 374

(c) A common law trust; 375

(d) An unincorporated business or for-profit organization 376
including a general or limited partnership; 377

(e) A limited liability company; 378

(f) A nonprofit corporation. 379

(H) "Foreign entity" means an entity formed under the laws of 380
another state. 381

(I) "Foreign limited liability partnership" means a partnership formed under laws other than the laws of this state and that has the status of a limited liability partnership under those laws. 382
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(J) "Limited liability partnership" means a partnership that files a statement of qualification under section 1776.81 of the Revised Code and does not have a similar statement in effect in any other jurisdiction. 386
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(K) "Liquidating trustee" means a person other than a partner, who carries out the winding up of a partnership. 390
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(L) "Partner" means a person admitted to a partnership as a partner. 392
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(M) "Partnership" means an association of two or more persons to carry on as co-owners a business for-profit formed under section 1776.22 of the Revised Code, a predecessor law, or a comparable law of another jurisdiction. 394
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(N) "Partnership agreement" means the agreement among the partners concerning the partnership, whether written, oral, or implied. A partnership is not required to execute its partnership agreement. A partnership agreement includes amendments to the partnership agreement. A partnership is bound by its partnership agreement irrespective of whether the partnership executes the agreement. 398
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(O) "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. 405
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(P) "Partnership interest" or "partner's interest in the partnership" means all of a partner's interests in the partnership, including the partner's economic interest and all management and other rights. 408
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(Q) "Person" means an individual, corporation whether
nonprofit or for-profit, business trust, estate, trust,
partnership, limited liability company, association, joint
venture, government, governmental subdivision, agency, or
instrumentality, or any other legal or commercial entity in its
own or any representative capacity, in each case whether domestic
or foreign.

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

(S) "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, except that as used in sections 1776.68 to 1776.75 of the
Revised Code, "state" means the United States, any state,
territory, insular possession or other political subdivision of
the United States, including the District of Columbia, any foreign
country or nation, and any province, territory, or other political
subdivision of a foreign country or nation.

(T) "Statement" means a statement of correction or corrected
statement under section 1776.12 of the Revised Code, a statement
of partnership authority under section 1776.33 of the Revised
Code, a statement of denial under section 1776.34 of the Revised
Code, a statement of dissociation under section 1776.57 of the
Revised Code, a statement of dissolution under section 1776.65 of
the Revised Code, a certificate of merger or a certificate of
consolidation under section 1776.70 of the Revised Code, a
certificate of conversion under section 1776.74 of the Revised
Code, a statement of qualification under section 1776.81 of the
Revised Code, a statement of foreign qualification under section
1776.86 of the Revised Code, or an amendment or cancellation of
any of the foregoing. All statements shall be on forms the
secretary of state prescribes.

(U) "Surviving" means, as applied to an entity, the constituent entity that is specified as the entity into which one or more other constituent entities are to be or have been merged.

(V) "Transfer" includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

(W) "Tribunal" means a court, or if provided in the partnership agreement or otherwise agreed, an arbitrator, arbitration panel, or other tribunal.

Sec. 1776.02. (A) A person knows a fact if the person has actual knowledge of the fact.

(B) A person has notice of a fact if the person knows of it, has received a notification of the fact, or has reason to know the fact exists from all of the facts known to the person at the time in question.

(C) A person notifies or gives notification to another person by taking steps reasonably required to inform the other person in ordinary course, whether or not the other person learns of that notification.

(D) A person receives a notification when the notification comes to the person's attention or is delivered at the person's place of business or at any other place the person holds out as a place for receiving communications.

(E)(1) Except as otherwise provided in division (F) of this section, a person other than an individual knows, has notice, or receives a notification of a fact for purposes of a particular transaction when the individual conducting the transaction knows, has notice, or receives a notification of the fact, or in any event, when the fact would have been brought to the individual's attention if the person had exercised reasonable diligence.

(2) A person exercises reasonable diligence if the person

maintains reasonable routines for communicating significant 474
information to the individual conducting the transaction and there 475
is reasonable compliance with the routines. Reasonable diligence 476
does not require an individual acting for the person to 477
communicate information unless the communication is part of the 478
individual's regular duties or the individual has reason to know 479
of the transaction and that the transaction would be materially 480
affected by the information. 481

(F) A partner's knowledge, notice, or receipt of a 482
notification of a fact relating to the partnership is effective 483
immediately as knowledge by, notice to, or receipt of a 484
notification by the partnership, except in the case of a fraud on 485
the partnership committed by or with the consent of that partner. 486

Sec. 1776.03. (A) Except as otherwise provided in division 487
(B) of this section, the partnership agreement governs relations 488
among the partners and between the partners and the partnership. 489
To the extent the partnership agreement does not otherwise 490
provide, this chapter governs relations among the partners and 491
between the partners and the partnership. 492

(B) The partnership agreement may not do any of the 493
following: 494

(1) Vary the rights and duties under section 1776.05 of the 495
Revised Code except to eliminate the duty to provide copies of 496
statements to all of the partners; 497

(2) Unreasonably restrict the right of access to books and 498
records under division (B) of section 1776.43 of the Revised Code; 499

(3) Eliminate the duty of loyalty under division (B) of 500
section 1776.44 of the Revised Code or division (B)(3) of section 501
1776.53 of the Revised Code, but the partnership agreement may 502
identify specific types or categories of activities that do not 503

violate the duty of loyalty, if not manifestly unreasonable, and 504
all of the partners or a number or percentage specified in the 505
partnership agreement may authorize or ratify, after full 506
disclosure of all material facts, a specific act or transaction 507
that otherwise would violate the duty of loyalty; 508

(4) Unreasonably reduce the duty of care under division (C) 509
of section 1776.44 of the Revised Code or division (B)(3) of 510
section 1776.53 of the Revised Code; 511

(5) Eliminate the obligation of good faith and fair dealing 512
under division (D) of section 1776.44 of the Revised Code, but the 513
partnership agreement may prescribe the standards by which the 514
performance of the obligation is to be measured, if the standards 515
are not manifestly unreasonable; 516

(6) Vary the power to dissociate as a partner under division 517
(A) of section 1776.52 of the Revised Code, except to require the 518
notice under division (A) of section 1776.51 of the Revised Code 519
to be in writing; 520

(7) Vary the right of a tribunal to expel a partner in the 521
events specified in division (E) of section 1776.51 of the Revised 522
Code; 523

(8) Vary the requirement to wind up the partnership business 524
in cases specified in division (D), (E), or (F) of section 1776.61 525
of the Revised Code; 526

(9) Vary the law applicable to a limited liability 527
partnership under division (B) of section 1776.06 of the Revised 528
Code; 529

(10) Restrict rights of third parties under this chapter. 530

Sec. 1776.04. (A) Unless displaced by particular provisions 531
of this chapter, the principles of law and equity supplement this 532
chapter. 533

(B) If an obligation to pay interest under this chapter does 534
not specify a rate of interest, the rate is that specified in 535
section 1343.03 of the Revised Code. 536

(C) No partnership and no person acting on behalf of a 537
partnership shall interpose the defense or make the claim of usury 538
in any action or proceeding upon, or with reference to, any 539
obligation of that partnership. The notes, bonds, other evidences 540
of indebtedness, mortgages, pledges, and deeds of trust of a 541
partnership shall not be set aside, impaired, or adjudged invalid 542
by reason of anything contained in any laws prohibiting or 543
otherwise pertaining to usury or regulating interest rates. 544

(D) No obligation of a partner to a partnership arising under 545
a partnership agreement or a separate agreement or writing, and no 546
note, instruction, or other writing evidencing any such obligation 547
of a partner, is subject to the defense of usury, and no partner 548
shall interpose the defense of usury with respect to any such 549
obligation in any action. 550

Sec. 1776.05. (A) A statement may be filed in the office of 551
the secretary of state. A certified copy of a statement that is 552
filed in an office in another state may be filed in the office of 553
the secretary of state provided that it is accompanied by a form 554
the secretary of state prescribes for that purpose. Either filing 555
has the effect provided in this chapter with respect to 556
partnership property located in, or transactions that occur in, 557
this state. 558

(B) A certified copy of a statement filed in the office of 559
the secretary of state and recorded in the office of a county 560
recorder in this state has the effect provided for recorded 561
statements in this chapter with respect to real property in the 562
county in which recorded. A recorded statement that is not a 563
certified copy of a statement filed in the office of the secretary 564

of state does not have the effect provided for recorded statements 565
in this chapter. 566

(C) At least one partner or one person the partnership 567
authorizes shall execute any statement a partnership files. A 568
partner, a person the partnership authorizes, or other person this 569
chapter authorizes shall execute other statements. An individual 570
who executes a statement shall personally declare, under penalty 571
of perjury, that the contents of the statement are accurate. 572

(D) A person authorized by this chapter to file a statement 573
may amend or cancel the statement by filing an amendment or 574
cancellation that names the partnership, identifies the statement, 575
and states the substance of the amendment or cancellation. 576

(E) A person who files a statement pursuant to this chapter 577
shall promptly send a copy of that statement to every nonfiling 578
partner and to any other person named as a partner in the 579
statement. Failure to send a copy of a statement to a partner or 580
other person does not limit the effectiveness of the statement as 581
to a person not a partner. 582

(F) The secretary of state may collect a fee for filing a 583
statement or providing a certified copy of a statement. The county 584
recorder may collect a fee for recording a statement. 585

(G) When a partnership files its first statement with the 586
secretary of state, the secretary of state shall assign a unique 587
identifying number to that partnership. Whenever a person files a 588
statement relating to a partnership to which the secretary of 589
state has assigned an identifying number or files a statement with 590
a county recorder, the statement shall include the identifying 591
number assigned to the partnership. 592

Sec. 1776.06. (A) Except as otherwise provided in this 593
section, the law of the jurisdiction in which a partnership has 594

its chief executive office governs relations among the partners 595
and between the partners and the partnership. 596

(B) The law of this state governs relations among the 597
partners and between the partners and the partnership, and the 598
liability of partners for an obligation, of a limited liability 599
partnership. 600

(C) The law of this state governs relations among the 601
partners and between the partners and the partnership of any 602
partnership other than a limited liability partnership if the 603
partnership agreement, by its terms, provides that the laws of 604
this state govern the partnership agreement. 605

(D) The laws of a specified jurisdiction other than this 606
state govern the relations among the partners and between the 607
partners and the partnership of any partnership other than a 608
limited liability partnership, if the partnership agreement, by 609
its terms, provides that the laws of that jurisdiction govern the 610
partnership agreement and that jurisdiction allows that election. 611

(E) A partnership governed by this chapter is subject to any 612
amendment to or repeal of any or all of the sections in this 613
chapter. 614

Sec. 1776.07. (A) Any partnership that maintains an effective 615
statement of partnership authority under section 1776.33 of the 616
Revised Code shall maintain continuously in this state an agent 617
for service of process on the partnership. The agent shall be an 618
individual who is a resident of this state, a domestic 619
corporation, or a foreign corporation holding a license as a 620
foreign corporation under the laws of this state. 621

(B) The secretary of state shall not accept an original 622
statement of partnership authority for filing unless the statement 623
of partnership authority includes a written appointment of an 624

agent as this section requires and a written acceptance of the 625
appointment signed by the designated agent. 626

(C) If an agent dies, resigns, or moves outside of this 627
state, the partnership shall appoint forthwith another agent and 628
file with the secretary of state an amendment to its statement of 629
partnership authority appointing a new agent and including a 630
written acceptance of the appointment that is signed by the 631
designated agent. 632

(D) If the address of an agent changes from that stated in 633
the records of the secretary of state, the partnership forthwith 634
shall file with the secretary of state an amendment to its 635
statement of partnership authority setting forth the new address. 636

(E) An agent may resign by filing a written and signed notice 637
of resignation with the secretary of state on a form the secretary 638
prescribes and mailing a copy of that notice to the partnership. 639
The agent shall mail the copy of the notice to the partnership at 640
the current or last known address of its principal office on or 641
prior to the date that the agent files the notice with the 642
secretary of state. The notice shall include the name of the 643
partnership, the name and current address of the agent, the 644
current or last known address, including the street and number or 645
other particular description, of the partnership's principal 646
office, a statement of the resignation of the agent, and a 647
statement that a copy of the notice was provided to the 648
partnership within the time and in the manner specified in this 649
division. The resigning agent's authority terminates thirty days 650
after filing the notice with the secretary of state. 651

(F) A partnership may revoke the appointment of its agent by 652
filing with the secretary of state an amendment to its statement 653
of partnership authority indicating that the appointment of the 654
former agent is revoked and that a new agent is appointed. A 655
written acceptance signed by the new designated agent shall 656

accompany the filing. 657

(G)(1) Any legal process, notice, or demand required or 658
permitted by law to be served upon a partnership with an effective 659
statement of partnership authority may be served upon the 660
partnership as follows: 661

(a) If its agent is an individual, by delivering a copy of 662
the process, notice, or demand to the agent; 663

(b) If its agent is a corporation, by delivering a copy of 664
the process, notice, or demand to the address of the agent in this 665
state as contained in the records of the secretary of state. 666

(2)(a) If its agent cannot be found or no longer has the 667
address stated in the records of the secretary of state or the 668
partnership has failed to maintain an agent as this section 669
requires, and the party, agent, or representative that desires 670
service files with the secretary of state an affidavit stating 671
that one of those circumstances exists and the most recent address 672
of the partnership ascertained after a diligent search, then 673
service upon the secretary of state as the agent of the 674
partnership may be initiated by delivering to the secretary of 675
state four copies of the process, notice, or demand accompanied by 676
a fee of five dollars. 677

(b) The secretary of state forthwith shall give notice of 678
that delivery to the partnership at either its principal office as 679
shown upon the secretary of state's records or at any different 680
address specified in the affidavit of the party desiring service 681
and shall forward to the partnership at either address by 682
certified mail, return receipt requested, a copy of the process, 683
notice, or demand. 684

(c) Service upon the partnership is made when the secretary 685
of state gives the notice and forwards the process, notice, or 686
demand as set forth in division (G)(2) of this section. 687

(H) The secretary of state shall keep a record of each 688
process, notice, and demand that pertains to a partnership and 689
that is delivered to the secretary of state's office under this 690
section or another law of this state that authorizes service upon 691
the secretary of state in connection with a partnership. In that 692
record, the secretary shall record the time of each delivery of 693
that type and the secretary's subsequent action with respect to 694
the process, notice, or demand. 695

(I) Nothing in this section limits or affects the right to 696
serve process in any other manner now or hereafter provided by 697
law. This section is an extension of, and not a limitation upon, 698
the right otherwise existing of service of legal process. 699

Sec. 1776.08. (A) Service of legal process upon any 700
partnership that has not filed a statement of partnership 701
authority in this state and that is formed under the laws of this 702
state or doing business in this state may be made by delivering a 703
copy personally to any partner doing business in this state or by 704
leaving it at a partner's dwelling house or usual place of abode 705
in this state or at a place of business of the partnership in this 706
state. 707

(B) Nothing in this section limits or affects the right to 708
serve process in any other manner now or hereafter provided by 709
law. This section is an extension of, and not a limitation upon, 710
the right otherwise existing of service of legal process. 711

Sec. 1776.10. (A)(1) A partner or a liquidating trustee of a 712
partnership that is formed under the laws of this state or that is 713
doing business in this state may be served with process in the 714
manner this section prescribes in all civil actions or proceedings 715
brought in this state involving or relating to the business of the 716
partnership or a violation by the partner or the liquidating 717

trustee of a duty to the partnership or any partner of the 718
partnership, whether or not the partner or the liquidating trustee 719
is a partner or a liquidating trustee at the time suit is 720
commenced. 721

(2) A person who is a partner or liquidating trustee on the 722
date on which this chapter first applies to the partnership 723
pursuant to division (C) of section 1776.95 of the Revised Code, 724
or who thereafter becomes a partner or a liquidating trustee of a 725
partnership, thereby consents to the appointment of each partner 726
who has signed a statement of partnership authority under section 727
1776.33 of the Revised Code, and any agent named in a statement of 728
partnership authority under section 1776.33 of the Revised Code, 729
as that person's agent upon whom service of process may be made. 730
Any process so served shall be of the same legal force and 731
validity as if served upon the partner or liquidating trustee 732
within this state. 733

(B) In a written partnership agreement or other writing, a 734
partner may consent to be subject to the nonexclusive jurisdiction 735
of the courts of, or arbitration in, a specified jurisdiction, or 736
the exclusive jurisdiction of the courts of this state, or the 737
exclusivity of arbitration in a specified jurisdiction or this 738
state, and to be served with legal process in the manner 739
prescribed in the partnership agreement or other writing. 740

(C) Nothing in this section limits or affects the right to 741
serve process in any other manner now or hereafter provided by 742
law. This section is an extension of, and not a limitation upon, 743
the right otherwise existing of service of legal process. 744

Sec. 1776.11. (A) Any person who is adversely affected by the 745
failure or refusal of a person to execute a statement as this 746
chapter requires may petition the court of common pleas to direct 747

the execution of that statement. If the court finds that the 748
execution of the statement is proper and that a person has failed 749
or refused to execute that statement as designated, the court 750
shall order the secretary of state to file an appropriate 751
statement. 752

(B) Any person who is adversely affected by the failure or 753
refusal of another person to execute a partnership agreement or 754
amendment when that person is designated to do so may petition the 755
court of common pleas to direct the execution of the partnership 756
agreement or amendment. If the court finds that the partnership 757
agreement or amendment should be executed and that a designated 758
person has failed or refused to do so, the court shall enter an 759
order granting appropriate relief. 760

Sec. 1776.12. (A) Any statement filed with the secretary of 761
state pursuant to this chapter that is an inaccurate record of the 762
action referred to in the statement, or that was defectively or 763
erroneously executed, may be corrected by filing a statement of 764
correction with the secretary of state. The statement of 765
correction shall specify the inaccuracy or defect to be corrected, 766
set forth the inaccurate or defective portion of the statement in 767
corrected form, and be executed and filed as this chapter 768
requires. The statement of correction is effective as of the date 769
the original statement was filed, except as to persons who are 770
substantially and adversely affected by the correction, for whom 771
the statement of correction is effective from its filing date. 772

(B) In lieu of filing a statement of correction as division 773
(A) of this section describes, a statement may be corrected by 774
executing and filing a corrected statement with the secretary of 775
state in the same manner as an original statement, and paying a 776
fee equal to the fee payable for an original statement. The 777
corrected statement shall specify in its heading that it is a 778

corrected statement, specify the inaccuracy or defect to be 779
corrected, and set forth the entire statement in corrected form. A 780
statement corrected in accordance with this division is effective 781
as of the date the original statement was filed, except as to 782
those who are substantially and adversely affected by the 783
correction, for whom the corrected statement is effective from its 784
filing date. 785

Sec. 1776.21. (A) A partnership is an entity distinct from 786
its partners. 787

(B) A limited liability partnership continues to be the same 788
entity that existed before the filing of a statement of 789
qualification under section 1776.81 of the Revised Code. 790

(C) Except as otherwise provided in the Revised Code or the 791
partnership agreement, a partnership formed under this chapter has 792
authority to engage in any activity in which a domestic 793
corporation or a domestic limited liability company may lawfully 794
engage and has the powers of a domestic corporation or domestic 795
limited liability company. 796

Sec. 1776.22. (A) Except as otherwise provided in division 797
(B) of this section, any association of two or more persons to 798
carry on as co-owners a business for-profit forms a partnership, 799
whether or not the persons intend to form a partnership. 800

(B) An association formed under a statute not included in 801
this chapter, a predecessor statute, or a comparable statute of 802
another jurisdiction is not a partnership under this chapter. 803

(C) In determining whether a partnership is formed, the 804
following rules apply: 805

(1) Holding property in joint tenancy, tenancy in common, 806
tenancy by the entireties, joint property, common property, or 807
part ownership does not by itself establish a partnership, even if 808

the co-owners share profits made by the use of the property. 809

(2) The sharing of gross returns does not by itself establish a partnership, even if the persons sharing the returns have a joint or common right or interest in property from which the returns are derived. 810
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(3) A person who receives a share of the profits of a business is presumed to be a partner in the business, unless the profits were received in payment for any of the following: 814
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(a) A debt by installments or otherwise; 817

(b) Services as an independent contractor or wages or other compensation to an employee; 818
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(c) Rent; 820

(d) An annuity or other retirement or health benefit to a beneficiary, representative, or designee of a deceased or retired partner; 821
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(e) Interest or other charge on a loan, even if the amount of payment varies with the profits of the business, including a direct or indirect present or future ownership of the collateral, or rights to income, proceeds, or increase in value derived from the collateral; 824
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(f) The sale of the goodwill of a business or other property by installments or otherwise. 829
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Sec. 1776.23. (A) Property acquired by a partnership is property of the partnership and not the property of the partners individually. 831
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833

(B) Property is partnership property if the property is acquired in the name of either of the following: 834
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(1) The partnership; 836

(2) One or more partners when the instrument transferring 837

title to the property indicates that the transferee holds the 838
property in the capacity as a partner, or that a partnership 839
exists but without an indication of the name of the partnership. 840

(C) Property is acquired in the name of the partnership by a 841
transfer to either of the following: 842

(1) The partnership in its name; 843

(2) One or more partners in their capacity as partners in the 844
partnership, if the name of the partnership is indicated in the 845
instrument transferring title to the property. 846

(D) Property is presumed to be partnership property if 847
purchased with partnership assets, even if it is not acquired as 848
described in division (B) of this section. 849

(E) Property acquired in the name of one or more of the 850
partners, when there is no indication in the instrument 851
transferring title to the property of the person's capacity as a 852
partner or of the existence of a partnership and without the use 853
of partnership assets, is presumed to be separate property, even 854
if used for partnership purposes. 855

Sec. 1776.24. (A) The contribution of a partner may be in 856
cash, property, or services rendered, or a promissory note or 857
other obligation to contribute cash or property or to perform 858
services. 859

(B) A partner is obligated to the partnership to perform any 860
promise to contribute cash, property, or services even if the 861
partner is unable to perform because of death, disability, or any 862
other reason. If a partner does not make the required contribution 863
of property or services, the partner is obligated, at the option 864
of the partnership, to contribute cash equal to the value of the 865
contribution that has not been made. The foregoing option is in 866
addition to, and not in lieu of, any other rights, including the 867

right to specific performance, that the partnership may have 868
against a partner under the partnership agreement or applicable 869
law. 870

(C) A partnership agreement may provide that the partnership 871
interest of any partner who fails to make any required 872
contribution is subject to specified penalties for, or specified 873
consequences of, that failure. The penalty or consequence may take 874
the form of reducing or eliminating the defaulting partner's 875
interest in the partnership, subordinating the partner's 876
partnership interest to that of nondefaulting partners, a forced 877
sale of the partner's partnership interest, forfeiture of the 878
partner's partnership interest, the lending by other partners of 879
the amount necessary to meet the partner's commitment, a fixing of 880
the value of the partner's partnership interest by appraisal or by 881
formula and the redemption or sale of the partner's partnership 882
interest at that value, or any other penalty or consequence. 883

Sec. 1776.31. Both of the following govern the acts of a 884
partner, subject to any statement of partnership authority under 885
section 1776.33 of the Revised Code: 886

(A) Each partner is an agent of the partnership for the 887
purpose of its business. An act of a partner, including the 888
execution of an instrument in the partnership name, for apparently 889
carrying on in the ordinary course the partnership business or 890
business of the kind carried on by the partnership binds the 891
partnership, unless the partner had no authority to act for the 892
partnership in the particular matter and the person with whom the 893
partner was dealing knew or had received a notification that the 894
partner lacked authority. 895

(B) An act of a partner that is not apparently for carrying 896
on in the ordinary course the partnership business or business of 897
the kind the partnership carries on binds the partnership only if 898

the act was authorized by the other partners. 899

Sec. 1776.32. (A) Partnership property may be transferred as follows: 900
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(1) Partnership property held in the name of the partnership may be transferred by an instrument of transfer a partner executes in the partnership name, subject to any statement of partnership authority under section 1776.33 of the Revised Code. 902
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(2) Partnership property held in the name of one or more partners, when the instrument transferring the property to them indicates their capacity as partners or of the existence of a partnership but does not indicate the name of the partnership, may be transferred by an instrument of transfer executed by the persons in whose name the property is held. 906
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(3) Partnership property held in the name of one or more persons other than the partnership, without an indication in the instrument transferring the property to them of their capacity as partners or of the existence of a partnership, may be transferred by an instrument of transfer executed by the persons in whose name the property is held. 912
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(B) A partnership may recover partnership property from a transferee only if it proves that the execution of the instrument of initial transfer did not bind the partnership under section 1776.31 of the Revised Code and that either of the following is true: 918
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(1) A subsequent transferee who gave value for property transferred under division (A)(1) or (2) of this section knew or had received a notification that the person who executed the instrument of initial transfer lacked authority to bind the partnership; 923
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(2) A transferee who gave value for property transferred 928

under division (A)(3) of this section, knew or had received a 929
notification that the property was partnership property and the 930
person who executed the instrument of initial transfer lacked 931
authority to bind the partnership. 932

(C) A partnership may not recover partnership property from a 933
subsequent transferee if, under division (B) of this section, the 934
partnership would not have been entitled to recover the property 935
from any earlier transferee of the property. 936

(D) If a person holds all interests of all partners in the 937
partnership, all of the partnership property vests in that person. 938
The person may execute a document in the name of the partnership 939
to evidence vesting of the property in that person and may file or 940
record the document. 941

Sec. 1776.33. (A)(1) A partnership may file a statement of 942
partnership authority. Any statement filed pursuant to this 943
section shall include all of the following: 944

(a) The name of the partnership; 945

(b) The street address of the partnership's chief executive 946
office and that of one office in this state, if an office exists 947
in this state; 948

(c) The names and mailing addresses of all of the partners or 949
of an information agent the partnership appoints and maintains for 950
the purpose of division (B) of this section; 951

(d) The name and address of the agent for service of process 952
and the signed acceptance of appointment, as section 1776.07 of 953
the Revised Code requires. 954

(2) Any statement filed pursuant to this section may state 955
the names of the partners authorized to execute an instrument 956
transferring real property held in the name of the partnership, 957
the authority, including any limitations, that some or all of the 958

partners have to enter into other transactions on behalf of the 959
partnership, and any other matter. 960

(B) If a filed statement of partnership authority names an 961
agent, that agent shall maintain a list of the names and mailing 962
addresses of all of the partners and make the list available to 963
any person on request for good cause shown. 964

(C) If a filed statement of partnership authority is executed 965
pursuant to division (C) of section 1776.05 of the Revised Code 966
and states the name of the partnership but does not contain all of 967
the other information division (A) of this section requires, that 968
statement shall operate as provided in divisions (D) and (E) of 969
this section with respect to a person not a partner. 970

(D) Except as otherwise provided in division (G) of this 971
section, a filed statement of partnership authority supplements 972
the authority of a partner to enter into transactions on behalf of 973
the partnership as follows: 974

(1) Except for transfers of real property, a grant of 975
authority contained in a filed statement of partnership authority 976
is conclusive in favor of any person who gives value without 977
knowledge to the contrary, so long as, and to the extent that, 978
another filed statement does not contain a limitation on that 979
authority. A filed cancellation of a limitation on authority 980
revives the previous grant of authority. 981

(2) A grant of authority to transfer real property held in 982
the name of the partnership that is contained in a certified copy 983
of a filed statement of partnership authority recorded in the 984
office of a county recorder, is conclusive as to real property in 985
the county where the statement is recorded, in favor of a person 986
who gives value without knowledge to the contrary, so long as, and 987
to the extent that, a certified copy of a filed statement 988
containing a limitation on that authority is not of record in the 989

same office. Recording a certified copy of a filed cancellation of 990
a limitation on authority in the office of a county recorder 991
revives the previous grant of authority filed in that office. 992

(E) A person not a partner is deemed to know of a limitation 993
of a partner's authority to transfer real property held in the 994
name of the partnership if a certified copy of the filed statement 995
containing the limitation on authority is of record in the office 996
for recording transfers of that real property. 997

(F) Except as otherwise provided in divisions (D) and (E) of 998
this section and sections 1776.57 and 1776.65 of the Revised Code, 999
a person not a partner is not deemed to know of a limitation on 1000
the authority of a partner merely because the limitation is 1001
contained in a filed statement. 1002

(G) Unless earlier canceled, a filed statement of partnership 1003
authority is canceled by operation of law five years after the 1004
date on which the statement, or the most recent amendment, is 1005
filed with the secretary of state. 1006

Sec. 1776.34. A partner, or other person that a filed 1007
statement of partnership authority names as a partner or included 1008
in a list an agent maintains pursuant to division (B) of section 1009
1776.33 of the Revised Code, may file a statement of denial 1010
stating the name of the partnership and the fact that is being 1011
denied, which may include denial of a person's authority or status 1012
as a partner. A statement of denial is a limitation on authority 1013
under divisions (D) and (E) of section 1776.33 of the Revised 1014
Code. 1015

Sec. 1776.35. (A) A partnership is liable for loss or injury 1016
caused to a person or for a penalty incurred as a result of a 1017
wrongful act or omission, or other actionable conduct, of a 1018
partner acting in the ordinary course of business of the 1019

partnership or with authority of the partnership. 1020

(B) A partnership is liable for the loss if, in the course of 1021
the partnership's business or while acting with authority of the 1022
partnership, a partner receives or causes the partnership to 1023
receive money or property of a person not a partner, and a partner 1024
misapplies the money or property. 1025

Sec. 1776.36. (A) Except as otherwise provided in divisions 1026
(B) and (C) of this section, all partners are liable jointly and 1027
severally for all obligations of the partnership unless otherwise 1028
agreed by the claimant or provided by law. 1029

(B) A person admitted as a partner into an existing 1030
partnership is not personally liable for any partnership 1031
obligation incurred before the person's admission as a partner. 1032

(C) An obligation of a partnership incurred while the 1033
partnership is a limited liability partnership, whether arising in 1034
contract, tort, or otherwise, is solely the obligation of the 1035
partnership. A partner is not personally liable, directly or 1036
indirectly, by way of contribution or otherwise, for such an 1037
obligation solely by reason of being or acting as a partner. This 1038
division applies notwithstanding anything inconsistent in the 1039
partnership agreement that existed before any vote required to 1040
become a limited liability partnership under division (B) of 1041
section 1776.81 of the Revised Code. 1042

Sec. 1776.37. (A) A partnership may sue and be sued in the 1043
name of the partnership. 1044

(B) An action may be brought against the partnership and, to 1045
the extent not inconsistent with section 1776.36 of the Revised 1046
Code, any or all of the partners in the same action or in separate 1047
actions. 1048

(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. 1049
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(D) A judgment creditor of a partner may not levy execution against the assets of a partner to satisfy a judgment based on a claim against the partnership unless the partner is personally liable for the claim under section 1776.36 of the Revised Code and any of the following apply: 1053
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(1) A judgment based on the same claim was obtained against the partnership and a writ of execution on the judgment was returned unsatisfied in whole or in part; 1058
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(2) The partnership is a debtor in bankruptcy; 1061

(3) The partner agreed that the creditor need not exhaust partnership assets; 1062
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(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; 1064
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(5) Liability is imposed on the partner by law or contract independent of the existence of the partnership. 1071
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(E) This section applies to any partnership liability or obligation resulting from a representation by a partner or purported partner under section 1776.38 of the Revised Code. 1073
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Sec. 1776.38. (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 1076
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partners, the purported partner is liable to any person to whom 1079
the representation is made if that person, relying on the 1080
representation, enters into a transaction with the actual or 1081
purported partnership. If the representation, either by the 1082
purported partner or by a person with the purported partner's 1083
consent, is made in a public manner, the purported partner is 1084
liable to a person who relies upon the purported partnership even 1085
if the purported partner is not aware of being held out as a 1086
partner to the claimant. If partnership liability results, the 1087
purported partner is liable with respect to that liability as if 1088
the purported partner were a partner. If no partnership liability 1089
results, the purported partner is liable with respect to that 1090
liability jointly and severally with any other person consenting 1091
to the representation. 1092

(B) If a person is represented to be a partner in an existing 1093
partnership, or with one or more persons not partners, the 1094
purported partner is an agent of persons consenting to the 1095
representation to bind them to the same extent and in the same 1096
manner as if the purported partner were a partner, with respect to 1097
persons who enter into transactions in reliance upon the 1098
representation. If all of the partners of the existing partnership 1099
consent to the representation, a partnership act or obligation 1100
results. If fewer than all of the partners of the existing 1101
partnership consent to the representation, the person acting and 1102
the partners consenting to the representation are jointly and 1103
severally liable. 1104

(C) A person is not liable as a partner merely because the 1105
person is named by another in a statement of partnership 1106
authority. 1107

(D) A person does not continue to be liable as a partner 1108
merely because of a failure to file a statement of dissociation or 1109

to amend a statement of partnership authority to indicate the 1110
partner's dissociation from the partnership. 1111

(E) Except as otherwise provided in divisions (A) and (B) of 1112
this section, persons who are not partners as to each other are 1113
not liable as partners as to other persons. 1114

Sec. 1776.41. (A) Each partner is deemed to have an account 1115
to which both of the following apply: 1116

(1) The account is credited with an amount equal to the money 1117
plus the value of any other property, net of the amount of any 1118
liabilities, the partner contributes to the partnership and the 1119
partner's share of the partnership profits; 1120

(2) The account is charged with an amount equal to the money 1121
plus the value of any other property, net of the amount of any 1122
liabilities, the partnership distributes to the partner and the 1123
partner's share of the partnership losses. 1124

(B) Each partner is entitled to an equal share of the 1125
partnership profits and is chargeable with a share of the 1126
partnership losses in proportion to the partner's share of the 1127
profits. 1128

(C) A partnership shall reimburse a partner for payments made 1129
and indemnify a partner for liabilities the partner incurs in the 1130
ordinary course of the business of the partnership or for the 1131
preservation of its business or property. 1132

(D) A partnership shall reimburse a partner for an advance to 1133
the partnership beyond the amount of capital the partner agreed to 1134
contribute. 1135

(E) A payment or advance made by a partner that gives rise to 1136
a partnership obligation under division (C) or (D) of this section 1137
constitutes a loan to the partnership that accrues interest from 1138
the date of the payment or advance. 1139

(F) Each partner has equal rights in the management and 1140
conduct of the partnership business. 1141

(G) A partner may use or possess partnership property only on 1142
behalf of the partnership. 1143

(H) A partner is not entitled to remuneration for services 1144
performed for the partnership, except for reasonable compensation 1145
for services rendered in winding up the business of the 1146
partnership. 1147

(I) A person may become a partner only with the consent of 1148
all of the partners. 1149

(J) A difference arising as to a matter in the ordinary 1150
course of business of a partnership may be decided by a majority 1151
of the partners. An act outside the ordinary course of business of 1152
a partnership and an amendment to the partnership agreement may be 1153
undertaken only with the consent of all of the partners. 1154

(K) This section does not affect the obligations of a 1155
partnership to other persons under section 1776.31 of the Revised 1156
Code. 1157

Sec. 1776.42. A partner has no right to receive, and is not 1158
required to accept, a distribution in kind. 1159

Sec. 1776.43. (A) A partnership shall keep its books and 1160
records, if any, at its chief executive office. 1161

(B) A partnership shall provide partners and their agents and 1162
attorneys access to its books and records. It shall provide former 1163
partners and their agents and attorneys access to books and 1164
records pertaining to the period during which they were partners. 1165
The right of access provides the opportunity to inspect and copy 1166
books and records during ordinary business hours. A partnership 1167
may impose a reasonable charge, covering the costs of labor and 1168

material, for copies of documents furnished. 1169

(C) Each partner and the partnership shall furnish to a partner, and to the legal representative of a deceased partner or partner under legal disability, both of the following: 1170
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(1) Without demand, any information concerning the partnership's business and affairs reasonably required for the proper exercise of the partner's rights and duties under the partnership agreement or this chapter; 1173
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(2) On demand, any other information concerning the partnership's business and affairs, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances. 1177
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Sec. 1776.44. (A) The only fiduciary duties a partner owes to the partnership and the other partners are the duty of loyalty and the duty of care set forth in divisions (B) and (C) of this section. 1181
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(B) A partner's duty of loyalty to the partnership and the other partners is limited to the following: 1185
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(1) To account to the partnership and hold as trustee for it any property, profit, or benefit derived by the partner in the conduct and winding up of the partnership business or derived from a use by the partner of partnership property, including the appropriation of a partnership opportunity; 1187
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(2) To refrain from dealing with the partnership in the conduct or winding up of the partnership business as or on behalf of a party having an interest adverse to the partnership; 1192
1193
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(3) To refrain from competing with the partnership in the conduct of the partnership business before the dissolution of the partnership. 1195
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(C) A partner's duty of care to the partnership and the other 1198

partners in the conduct and winding up of the partnership business 1199
is limited to refraining from engaging in grossly negligent or 1200
reckless conduct, intentional misconduct, or a knowing violation 1201
of law. 1202

(D) A partner shall discharge duties to the partnership and 1203
the other partners pursuant to this chapter or under the 1204
partnership agreement and shall exercise any rights consistent 1205
with the obligation of good faith and fair dealing. 1206

(E) A partner does not violate a duty or obligation under 1207
this chapter, or under the partnership agreement, merely because 1208
the partner's conduct furthers the partner's own interest. 1209

(F) A partner may lend money to and transact other business 1210
with the partnership, and as to each loan or transaction the 1211
rights and obligations of the partner are the same as those of a 1212
person who is not a partner, subject to other applicable law. 1213

(G) This section applies to a person winding up the 1214
partnership business as the personal or legal representative of 1215
the last surviving partner as if the person were a partner. 1216

Sec. 1776.45. (A) A partnership may maintain an action 1217
against a partner for a breach of the partnership agreement or for 1218
the violation of a duty to the partnership, causing harm to the 1219
partnership. 1220

(B) A partner may maintain an action against the partnership 1221
or another partner for legal or equitable relief, with or without 1222
an accounting as to partnership business, to enforce any of the 1223
following: 1224

(1) The partner's rights under the partnership agreement; 1225

(2) The partner's rights under this chapter, including any of 1226
the following: 1227

(a) The partner's rights under sections 1776.41, 1776.43, or 1228

<u>1776.44 of the Revised Code;</u>	1229
<u>(b) The partner's right on dissociation to have the partner's interest in the partnership purchased pursuant to section 1776.54 of the Revised Code, or any other right under sections 1776.51 to 1776.53 or sections 1776.54 to 1776.58 of the Revised Code;</u>	1230 1231 1232 1233
<u>(c) The partner's right to compel a dissolution and winding up of the partnership business or enforce any other right under sections 1776.61 to 1776.67 of the Revised Code.</u>	1234 1235 1236
<u>(3) The rights and otherwise protect the interests of the partner, including rights and interests arising independently of the partnership relationship.</u>	1237 1238 1239
<u>(C) This section does not govern the accrual of, and any time limitation on, a right of action for a remedy under this section. A right to an accounting upon dissolution and winding up does not revive a claim barred by law.</u>	1240 1241 1242 1243
<u>Sec. 1776.46.</u> <u>(A) If a partnership for a definite term or particular undertaking is continued, without an express agreement, after the expiration of the term or completion of the undertaking, the rights and duties of the partners remain the same as they were at the expiration or completion, so far as is consistent with a partnership at will.</u>	1244 1245 1246 1247 1248 1249
<u>(B) If the partners, or those who habitually acted in the business during the term or undertaking, continue the business without any settlement or liquidation of the partnership, the partners are presumed to have agreed that the partnership will continue.</u>	1250 1251 1252 1253 1254
<u>Sec. 1776.47.</u> <u>A partner is not a co-owner of partnership property and has no interest in partnership property that can be transferred, either voluntarily or involuntarily.</u>	1255 1256 1257

Sec. 1776.48. A partner's economic interest is the only transferable interest of a partner in the partnership. The economic interest is personal property. 1258
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Sec. 1776.49. (A) A transfer, in whole or in part, of a partner's economic interest in the partnership is permissible and does not by itself cause the partner's dissociation or a dissolution and winding up of the partnership business. A transfer does not entitle the transferee, as against the other partners or the partnership, during the continuance of the partnership, to participate in the management or conduct of the partnership business, to require access to information concerning partnership transactions, or to inspect or copy the partnership books or records. 1261
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(B) A transferee of a partner's economic interest in the partnership has a right: 1271
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(1) To receive, in accordance with the transfer, distributions to which the transferor otherwise would be entitled; 1273
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(2) To receive upon the dissolution and winding up of the partnership business, in accordance with the transfer, the net amount otherwise distributable to the transferor; 1276
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(3) To seek under division (F) of section 1776.61 of the Revised Code, a determination by a tribunal that it is equitable to wind up the partnership business. 1279
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(C) In a dissolution and winding up, a transferee is entitled to an account of partnership transactions only from the date of the latest account to which all of the partners agreed. 1282
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(D) Upon transfer, the transferor retains the rights and duties of a partner other than the interest in distributions transferred. 1285
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(E) A partnership need not give effect to a transferee's rights under this section until it has notice and reasonable proof of the transfer. 1288
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(F) A transfer of a partner's economic interest in the partnership in violation of a restriction on transfer contained in the partnership agreement is ineffective as to a person having notice of the restriction at the time of transfer. 1291
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(G) Sections 1309.406 and 1309.408 of the Revised Code do not apply to any partnership interest in a partnership formed under this chapter. 1295
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Sec. 1776.50. (A) On application by a judgment creditor of a partner or of a partner's transferee, a court having jurisdiction may charge the economic interest of the judgment debtor to satisfy the judgment. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor in respect of the partnership and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances of the case may require. 1298
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(B) A charging order constitutes a lien on the judgment debtor's economic interest in the partnership. The court may order a foreclosure of the interest subject to the charging order at any time. The purchaser at the foreclosure sale has the rights of a transferee. 1306
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(C) At any time before foreclosure, an interest charged may be redeemed by any of the following: 1311
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(1) The judgment debtor; 1313

(2) One or more of the other partners by using property other than partnership property; 1314
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(3) One or more of the other partners, with the consent of all of the partners whose interests are not so charged, by using 1316
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partnership property. 1318

(D) Nothing in this chapter deprives a partner of any right under exemption laws with respect to the partner's interest in the partnership. 1319
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(E) This section provides the exclusive remedy by which a judgment creditor of a partner, or partner's transferee, may satisfy a judgment out of the judgment debtor's economic interest in the partnership. 1322
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Sec. 1776.51. A partner is dissociated from a partnership upon the occurrence of any of the following events: 1326
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(A) The partnership has notice of the partner's express will to withdraw as a partner, on the date of the notice or on a later date the partner specifies; 1328
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(B) The happening of an event agreed to in the partnership agreement as causing the partner's dissociation; 1331
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(C) The partner's expulsion pursuant to the partnership agreement; 1333
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(D) The partner's expulsion by the unanimous vote of the other partners because of any of the following: 1335
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(1) It is unlawful to carry on the partnership business with that partner. 1337
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(2) A transfer of all or substantially all of that partner's economic interest in the partnership, other than a transfer for security purposes, or a court order charging the partner's interest, which has not been foreclosed; 1339
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(3) A certificate of dissolution is not revoked or the charter or a right to conduct business is not reinstated within ninety days after the partnership notifies a corporate partner of its expulsion because the corporate partner filed a certificate of 1343
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dissolution or the equivalent, had its charter revoked, or had its 1347
right to conduct business suspended by the jurisdiction of its 1348
incorporation. 1349

(4) The partner is a partnership that has dissolved and is 1350
winding up its business. 1351

(E) On application by the partnership or another partner, a 1352
tribunal determines any of the following is cause for expulsion: 1353

(1) The partner engaged in wrongful conduct that adversely 1354
and materially affects the partnership business. 1355

(2) The partner willfully or persistently committed a 1356
material breach of the partnership agreement or a duty owed to the 1357
partnership or the other partners under section 1776.44 of the 1358
Revised Code. 1359

(3) The partner engaged in conduct relating to the 1360
partnership business that makes it not reasonably practicable to 1361
carry on the business in partnership with the partner. 1362

(F) The partner's doing any of the following: 1363

(1) Becoming a debtor in bankruptcy; 1364

(2) Executing an assignment for the benefit of creditors; 1365

(3) Seeking, consenting to, or acquiescing in the appointment 1366
of a trustee, receiver, or liquidator of that partner or of all or 1367
substantially all of that partner's property; 1368

(4) Failing, within ninety days after the appointment, to 1369
have vacated or stayed the appointment of a trustee, receiver, or 1370
liquidator of either the partner or all or substantially all of 1371
the partner's property that was obtained without the partner's 1372
consent or acquiescence, or failing within ninety days after the 1373
expiration of a stay to have the appointment vacated. 1374

(G) Any of the following, in the case of a partner who is an 1375
individual: 1376

<u>(1) The partner's death;</u>	1377
<u>(2) The appointment of a guardian or general conservator for the partner;</u>	1378 1379
<u>(3) A determination by a tribunal that the partner has otherwise become incapable of performing the partner's duties under the partnership agreement.</u>	1380 1381 1382
<u>(H) In the case of a partner that is a trust or is acting as a partner by virtue of being a trustee of a trust, distribution of the trust's entire economic interest in the partnership, but not merely by reason of the substitution of a successor trustee;</u>	1383 1384 1385 1386
<u>(I) In the case of a partner that is an estate or is acting as a partner by virtue of being a personal representative of an estate, distribution of the estate's entire economic interest in the partnership, but not merely by reason of the substitution of a successor personal representative;</u>	1387 1388 1389 1390 1391
<u>(J) Termination of a partner that is not an individual, partnership, corporation, trust, or estate.</u>	1392 1393
<u>Sec. 1776.52. (A) A partner has the power to dissociate at any time, rightfully or wrongfully, by express will pursuant to division (A) of section 1776.51 of the Revised Code.</u>	1394 1395 1396
<u>(B) A partner's dissociation is wrongful only if either of the following applies to that dissociation:</u>	1397 1398
<u>(1) It is in breach of an express provision of the partnership agreement.</u>	1399 1400
<u>(2) In the case of a partnership for a definite term or particular undertaking, before the expiration of the term or the completion of the undertaking, if any of the following applies:</u>	1401 1402 1403
<u>(a) The partner withdraws by express will, unless the withdrawal follows within ninety days after another partner's</u>	1404 1405

dissociation by death or otherwise under divisions (F) to (J) of 1406
section 1776.51 of the Revised Code or wrongful dissociation under 1407
division (B) of this section; 1408

(b) The partner is expelled by a determination by a tribunal 1409
under division (E) of section 1776.51 of the Revised Code. 1410

(c) The partner is dissociated by becoming a debtor in 1411
bankruptcy. 1412

(d) In the case of a partner who is not an individual, trust 1413
other than a business trust, or estate, the partner is expelled or 1414
otherwise dissociated because it willfully dissolved or 1415
terminated. 1416

(C) A partner who wrongfully dissociates is liable to the 1417
partnership and to the other partners for damages caused by the 1418
dissociation. The liability is in addition to any other obligation 1419
of the partner to the partnership or to the other partners. 1420

Sec. 1776.53. (A) If a partner's dissociation results in a 1421
dissolution and winding up of the partnership business, sections 1422
1776.61 to 1776.67 of the Revised Code apply. Otherwise, sections 1423
1776.54 to 1776.58 of the Revised Code apply. 1424

(B) Upon a partner's dissociation, all of the following 1425
apply: 1426

(1) The partner's right to participate in the management and 1427
conduct of the partnership business terminates, except as 1428
otherwise provided in section 1776.63 of the Revised Code; 1429

(2) The partner's duty of loyalty under division (B)(3) of 1430
section 1776.44 of the Revised Code terminates; 1431

(3) The partner's duty of loyalty under divisions (B)(1) and 1432
(2) of section 1776.44 of the Revised Code and duty of care under 1433
division (C) of section 1776.44 of the Revised Code continue only 1434
with regard to matters arising and events occurring before the 1435

partner's dissociation, unless the partner participates in winding up the partnership's business pursuant to section 1776.63 of the Revised Code. 1436
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Sec. 1776.54. (A) When a partner is dissociated from a partnership and that dissociation does not result in a dissolution and winding up of the partnership business under section 1776.61 of the Revised Code, the partnership shall cause the dissociated partner's interest in the partnership to be purchased for a buyout price determined pursuant to division (B) of this section. 1439
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(B)(1) The buyout price of a dissociated partner's interest is the amount that would have been distributable to the dissociating partner under division (B) of section 1776.67 of the Revised Code as if, on the date of dissociation, both of the following occurred: 1445
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(a) The partnership sold the assets at a price equal to the greater of the liquidation value or the value based on a sale of the entire business as a going concern without the dissociated partner. 1450
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(b) The partnership completed a winding up of the partnership business. 1454
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(2) Interest shall be paid from the date of dissociation to the date of payment. 1456
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(C) The partnership shall reduce the buyout price paid to the partner by any damages for wrongful dissociation under section 1776.52 of the Revised Code and all other amounts owing, whether or not presently due, from the dissociated partner to the partnership. Interest shall be assessed on any amount owed to the partnership from the date the amount owed is due to the date of payment. 1458
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(D) A partnership shall indemnify a dissociated partner whose 1465

interest is being purchased against all partnership liabilities, 1466
whether incurred before or after the dissociation, except 1467
liabilities incurred by an act of the dissociated partner under 1468
section 1776.55 of the Revised Code. 1469

(E) If no agreement for the purchase of a dissociated 1470
partner's interest is reached within one hundred twenty days after 1471
a written demand for payment, the partnership shall pay or cause 1472
to be paid, in cash to the dissociated partner, the amount the 1473
partnership estimates to be the buyout price and accrued interest, 1474
reduced by any offsets under division (C) of this section. 1475

(F) Notwithstanding division (E) of this section, if a 1476
deferred payment is authorized under division (H) of this section 1477
or if the partnership determines that immediate payment of the 1478
buyout price would cause undue hardship to the business of the 1479
partnership, the partnership may tender a written offer to pay the 1480
amount it estimates to be the buyout price and accrued interest, 1481
reduced by any offsets under division (C) of this section, stating 1482
the time of payment, the amount and type of security for payment, 1483
and the other terms and conditions of the obligation. 1484

(G) Any payment or tender required by division (E) or (F) of 1485
this section shall be accompanied by all of the following: 1486

(1) A statement of partnership assets and liabilities as of 1487
the date of dissociation; 1488

(2) The latest available partnership balance sheet and income 1489
statement, if any; 1490

(3) An explanation of how the estimated amount of the payment 1491
was calculated; 1492

(4) Written notice that the payment is in full satisfaction 1493
of the obligation to purchase unless, within one hundred twenty 1494
days after the written notice, the dissociated partner commences 1495
an action to determine the buyout price, any offsets under 1496

division (C) of this section, or other terms of the obligation to purchase; 1497
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(5) If applicable, a brief explanation of the basis for the partnership's determination that immediate payment of the buyout price would cause undue hardship to the business of the partnership. 1499
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(H) A partner who wrongfully dissociates before the expiration of a definite term or the completion of a particular undertaking is not entitled to payment of any portion of the buyout price until the expiration of the term or completion of the undertaking, unless the partner establishes to the satisfaction of the tribunal that earlier payment will not cause undue hardship to the business of the partnership. Any deferred payment shall be adequately secured and bear interest. 1503
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(I)(1) A dissociated partner may maintain an action against the partnership pursuant to division (B)(2)(b) of section 1776.45 of the Revised Code to determine the buyout price of that partner's interest, any offsets under division (C) of this section, or other terms of the obligation to purchase. Any action shall be commenced within one hundred twenty days after the partnership tenders payment or an offer to pay or within one year after written demand for payment if no payment or offer to pay is tendered. 1511
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(2) The tribunal shall determine the buyout price of the dissociated partner's interest, any offset due under division (C) of this section, and accrued interest, and enter judgment for any additional payment or refund. If deferred payment is authorized under division (H) of this section or if the partnership determines that immediate payment of the buyout price would cause undue hardship to the partnership, and the partner does not establish to the satisfaction of the tribunal that earlier payment will not cause undue hardship to the business of the partnership, 1520
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the tribunal also shall determine the security for payment and 1529
other terms of the obligation to purchase. 1530

(3) The tribunal may assess reasonable attorney's fees and 1531
the fees and expenses of appraisers or other experts for a party 1532
to the action, in amounts the tribunal finds equitable, against a 1533
party that the tribunal finds acted arbitrarily, vexatiously, or 1534
not in good faith. The finding may be based on the partnership's 1535
failure to tender payment or an offer to pay or to comply with 1536
division (G) of this section. 1537

Sec. 1776.55. (A) For two years after a partner dissociates 1538
without resulting in a dissolution and winding up of the 1539
partnership business, the partnership, including a surviving 1540
partnership under section 1776.68 of the Revised Code, is bound by 1541
any act of the dissociated partner that would have bound the 1542
partnership under section 1776.31 of the Revised Code before 1543
dissociation only if, at the time of entering into the transaction 1544
all of the following were true: 1545

(1) The other party reasonably believed that the dissociated 1546
partner was then a partner. 1547

(2) The other party did not have notice of the partner's 1548
dissociation. 1549

(3) The other party is not deemed to have had knowledge under 1550
division (E) of section 1776.33 of the Revised Code or notice 1551
under division (C) of section 1776.57 of the Revised Code. 1552

(B) A dissociated partner is liable to the partnership for 1553
any damage caused to the partnership arising from an obligation 1554
incurred by the dissociated partner after dissociation for which 1555
the partnership is liable under division (A) of this section. 1556

Sec. 1776.56. (A) A partner's dissociation does not of itself 1557
discharge the partner's liability for a partnership obligation 1558

incurred before dissociation. A dissociated partner is not liable 1559
for a partnership obligation incurred after dissociation, except 1560
as otherwise provided in division (B) of this section. 1561

(B) A partner who dissociates without resulting in a 1562
dissolution and winding up of the partnership business is liable 1563
as a partner to the other party in a transaction entered into by 1564
the partnership, or a surviving partnership under sections 1776.68 1565
to 1776.79 of the Revised Code, within two years after the 1566
partner's dissociation, only if pursuant to section 1776.36 of the 1567
Revised Code the partner would have been liable for the obligation 1568
if the transaction had been entered into while the person was a 1569
partner and, at the time of entering into the transaction, all of 1570
the following were true: 1571

(1) The other party reasonably believed that the dissociated 1572
partner was then a partner and reasonably relied on that belief in 1573
entering into the transaction. 1574

(2) The other party did not have notice of the partner's 1575
dissociation. 1576

(3) The other party is not deemed to have had knowledge under 1577
division (E) of section 1776.33 of the Revised Code or notice 1578
under division (C) of section 1776.57 of the Revised Code. 1579

(C) By agreement with the partnership creditor and the 1580
partners continuing the business, a dissociated partner may be 1581
released from liability for a partnership obligation. 1582

(D) A dissociated partner is released from liability for a 1583
partnership obligation if a partnership creditor, with notice of 1584
the partner's dissociation but without the partner's consent, 1585
agrees to a material alteration in the nature or time of payment 1586
of a partnership obligation. 1587

Sec. 1776.57. (A) A dissociated partner or the partnership 1588

may file a statement of dissociation stating the name of the 1589
partnership and that the partner is dissociated from the 1590
partnership. 1591

(B) A statement of dissociation is a limitation on the 1592
authority of a dissociated partner for the purposes of divisions 1593
(D) and (E) of section 1776.33 of the Revised Code. 1594

(C) For the purposes of division (A)(3) of section 1776.55 1595
and division (B)(3) of section 1776.56 of the Revised Code, a 1596
person not a partner is deemed to have notice of a dissociation 1597
ninety days after a statement of dissociation is filed. 1598

Sec. 1776.58. Continued use of a partnership name, or a 1599
dissociated partner's name as part thereof, by partners continuing 1600
the business does not of itself make the dissociated partner 1601
liable for an obligation of the partners or the partnership 1602
continuing the business. 1603

Sec. 1776.61. A partnership is dissolved, and the 1604
partnership's business shall be wound up, only upon the occurrence 1605
of any of the following events: 1606

(A) In a partnership at will, the partnership's having notice 1607
from a partner, other than a partner who is dissociated under 1608
divisions (B) to (J) of section 1776.51 of the Revised Code, of 1609
that partner's express will to withdraw immediately as a partner, 1610
or at a later date as specified by the partner; 1611

(B) In a partnership for a definite term or particular 1612
undertaking, any of the following applies: 1613

(1) Within ninety days after a partner's dissociation by 1614
death or otherwise under divisions (F) to (J) of section 1776.51 1615
of the Revised Code or wrongful dissociation under division (B) of 1616
section 1776.52 of the Revised Code, it is the express will of at 1617

least half of the remaining partners to wind up the partnership
business, for which purpose a partner's rightful dissociation
pursuant to division (B)(2)(a) of section 1776.52 of the Revised
Code constitutes that partner's expression of a will to wind up
the partnership business.

(2) It is the express will of all of the partners to wind up
the partnership business.

(3) The term has expired or the undertaking is complete.

(C) An event agreed to in the partnership agreement resulting
in the winding up of the partnership business;

(D) An event that makes it unlawful for all or substantially
all of the business of the partnership to be continued, but a cure
of illegality within ninety days after notice to the partnership
of the event is effective retroactively to the date of the event
for purposes of this section;

(E) On application by a partner, a determination by a
tribunal that any of the following is true:

(1) The economic purpose of the partnership is likely to be
unreasonably frustrated.

(2) Another partner has engaged in conduct relating to the
partnership business that makes it not reasonably practicable to
carry on the business in partnership with that partner.

(3) It is not otherwise reasonably practicable to carry on
the partnership business in conformity with the partnership
agreement.

(F) On application by a transferee of a partner's economic
interest, a tribunal determines that it is equitable to wind up
the partnership business at either of the following times:

(1) After the expiration of the term or completion of the
undertaking, if the partnership was for a definite term or

particular undertaking at the time of the transfer or entry of the 1648
charging order that gave rise to the transfer; 1649

(2) At any time, if the partnership was a partnership at will 1650
at the time of the transfer or entry of the charging order that 1651
gave rise to the transfer. 1652

Sec. 1776.62. (A) Subject to division (B) of this section, a 1653
partnership may continue after dissolution only for the purpose of 1654
winding up its business. The partnership is terminated when its 1655
business is completed. 1656

(B) At any time after the dissolution of a partnership and 1657
before the winding up of its business is completed, all of the 1658
partners, including any dissociating partner other than a 1659
wrongfully dissociating partner, may waive the right to have the 1660
partnership's business wound up and the partnership terminated. In 1661
that event, both of the following apply: 1662

(1) The partnership shall resume carrying on its business as 1663
if dissolution had never occurred, and any liability incurred by 1664
the partnership or a partner after the dissolution and before the 1665
waiver is determined as if dissolution had never occurred. 1666

(2) The dissolution shall not affect the rights of a third 1667
party accruing under division (A) of section 1776.64 of the 1668
Revised Code or arising out of conduct in reliance on the 1669
dissolution if those rights accrued or arose before the third 1670
party knew or received a notification of the waiver. 1671

Sec. 1776.63. (A) After dissolution, a partner who has not 1672
wrongfully dissociated may participate in winding up the 1673
partnership's business, but on the application of any partner, a 1674
partner's legal representative, or a transferee, the court of 1675
common pleas for good cause shown, may order judicial supervision 1676
of the winding up. 1677

(B) The legal representative of the last surviving partner 1678
may wind up a partnership's business. 1679

(C) A person winding up a partnership's business may preserve 1680
the partnership business or property as a going concern for a 1681
reasonable time, prosecute and defend actions and proceedings, 1682
whether civil, criminal, or administrative, settle and close the 1683
partnership's business, dispose of and transfer the partnership's 1684
property, discharge or make reasonable provision for the 1685
partnership's liabilities, distribute the assets of the 1686
partnership pursuant to section 1776.67 of the Revised Code, 1687
settle disputes by mediation or arbitration, and perform other 1688
necessary acts. 1689

Sec. 1776.64. Subject to section 1776.65 of the Revised Code, 1690
a partnership is bound by a partner's act after dissolution under 1691
either of the following conditions: 1692

(A) The act is appropriate for winding up the partnership 1693
business. 1694

(B) If the other party to the transaction did not have notice 1695
of the dissolution, the act would have bound the partnership under 1696
section 1776.31 of the Revised Code before dissolution. 1697

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Sec. 1776.65. (A) After dissolution, a partner who has not 1699
wrongfully dissociated may file a statement of dissolution stating 1700
the name of the partnership and that the partnership has dissolved 1701
and is winding up its business. 1702

(B) A statement of dissolution cancels a filed statement of 1703
partnership authority for the purposes of division (D) of section 1704
1776.33 of the Revised Code and is a limitation on such authority 1705
for the purposes of division (E) section 1776.33 of the Revised 1706
Code. 1707

(C) For the purposes of sections 1776.31 and 1776.64 of the Revised Code, a person not a partner is deemed to have notice of the dissolution and the limitation on the partners' authority as a result of the statement of dissolution ninety days after it is filed. 1708
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(D) After filing and recording any appropriate statement of dissolution, a dissolved partnership may file, and as appropriate, record a statement of partnership authority that will operate with respect to a person not a partner as provided in divisions (D) and (E) of section 1776.33 of the Revised Code in any transaction, whether or not the transaction is appropriate for winding up the partnership business. 1713
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Sec. 1776.66. (A) Except as otherwise provided in division (B) of this section and in section 1776.36 of the Revised Code, after dissolution a partner is liable to the other partners for the partner's share of any partnership liability incurred under section 1776.64 of the Revised Code. 1720
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(B) A partner who, with knowledge of the dissolution, incurs a partnership liability under division (B) of section 1776.64 of the Revised Code 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. 1725
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Sec. 1776.67. (A) In winding up a partnership's business, any assets of the partnership, including the contributions this section requires the partners to make, shall be applied to discharge or make reasonable provision for its obligations to creditors, including, to the extent permitted by law, partners who are creditors. Any surplus shall be applied to pay in cash the net amount distributable to partners in accordance with their right to distributions under division (B) of this section. 1730
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(B) Each partner is entitled to a settlement of all 1738
partnership accounts upon winding up the partnership business. In 1739
settling accounts among the partners, profits and losses that 1740
result from the liquidation of the partnership assets shall be 1741
credited and charged to the partners' accounts. The partnership 1742
shall make a distribution to a partner in an amount equal to any 1743
excess of the credits over the charges in the partner's account. 1744

(C) A partner shall contribute to the partnership an amount 1745
equal to any excess of the charges over the credits in the 1746
partner's account but excluding from the calculation charges 1747
attributable to an obligation for which the partner is not 1748
personally liable under section 1776.36 of the Revised Code. 1749

(D) If a partner fails to contribute the full amount required 1750
under division (C) of this section, all of the other partners 1751
shall contribute, in the proportions in which those partners share 1752
partnership losses, the additional amount necessary to satisfy the 1753
partnership obligations for which they are personally liable under 1754
section 1776.36 of the Revised Code. 1755

(E) The estate of a deceased partner is liable for the 1756
partner's obligation to contribute to the partnership. 1757

(F) A partner or partner's legal representative may recover 1758
from the other partners any contributions the partner has made to 1759
the extent the amount contributed exceeds that partner's share of 1760
the partnership obligations for which the partner is personally 1761
liable under section 1776.36 of the Revised Code. 1762

(G) After the settlement of accounts, each partner shall 1763
contribute, in the proportion in which the partner shares 1764
partnership losses, the amount necessary to satisfy, or make 1765
reasonable provision for, partnership obligations that were not 1766
known at the time of the settlement and for which the partner is 1767
personally liable under section 1776.36 of the Revised Code. 1768

(H) An assignee for the benefit of creditors of a partnership or a partner, or a person a court appoints to represent creditors of a partnership or a partner, may enforce a partner's obligation to contribute to the partnership. 1769
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Sec. 1776.68. (A)(1) Pursuant to a written agreement of merger between the constituent entities as this section provides, a domestic partnership and one or more additional domestic partnerships or other domestic or foreign entities may be merged into a surviving domestic partnership. Pursuant to a written agreement of consolidation between the constituent entities, two or more domestic or foreign entities may be consolidated into a new domestic partnership formed by that consolidation. 1773
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(2) When a constituent entity is formed or organized under the laws of any state other than this state or under any chapter of the Revised Code other than this chapter, no merger or consolidation may occur pursuant to this section unless permitted under the chapter of the Revised Code under which each domestic constituent entity exists and the laws under which each foreign constituent entity exists. 1781
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(B) Any written agreement of merger or consolidation of constituent entities into a surviving or new domestic partnership shall set forth all of the following: 1788
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(1) The name and the form of entity of each constituent entity, the state under the laws of which each constituent entity exists, and the name of the surviving or new domestic partnership; 1791
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(2) In the case of a merger, that one or more specified constituent entities is being merged into a specified surviving domestic partnership, and, in the case of a consolidation, that the constituent entities are being consolidated into a new domestic partnership; 1794
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(3) All statements and matters required to be set forth in an agreement of merger or consolidation by the laws under which each constituent entity exists; 1799
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(4) In the case of a consolidation, the partnership agreement of the new domestic partnership or a provision that the written partnership agreement of a specified constituent partnership, a copy of which partnership agreement shall be attached to the agreement of consolidation, with any amendments that are set forth in the agreement of consolidation, shall be the agreement of partnership of the new domestic partnership; 1802
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(5) In the case of a merger, any changes in the partners of the surviving domestic partnership and, in the case of a consolidation, the partners of the new domestic partnership or a provision specifying the partners of one or more specified constituent partnerships that constitute the initial partners of the new domestic partnership; 1809
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(6) The terms of the merger or consolidation, the mode of carrying the terms into effect, and the manner and basis of converting the interests or shares in the constituent entities into, or exchanging the interests or shares in the constituent entities for, any interests, evidences of indebtedness, other securities, cash, rights, any other property, or any combination of property of the surviving domestic partnership, the new domestic partnership, or any other entity. No such conversion or exchange shall be effected if there are reasonable grounds to believe that the conversion or exchange would render the surviving or new domestic partnership unable to pay its obligations as they become due in the usual course of its affairs. 1815
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(C) The written agreement of merger or consolidation of constituent entities into a surviving or new domestic partnership may set forth any of the following: 1827
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(1) The effective date of the merger or consolidation, which 1830
date may be on or after the date of the filing of the certificate 1831
of merger or consolidation; 1832

(2) A provision authorizing one or more of the constituent 1833
entities to abandon the proposed merger or consolidation prior to 1834
filing the certificate of merger or consolidation pursuant to 1835
section 1776.70 of the Revised Code by action of the partners of a 1836
constituent partnership, the directors of a constituent 1837
corporation, or the comparable representatives of any other 1838
constituent entity; 1839

(3) In the case of a merger, any amendments to the 1840
partnership agreement of the surviving domestic partnership, or a 1841
provision that the written partnership agreement of a specified 1842
constituent partnership other than the surviving domestic 1843
partnership, with any amendments that are set forth in the 1844
agreement of merger, shall be the partnership agreement of the 1845
surviving domestic partnership; 1846

(4) A statement of, or a statement of the method of 1847
determining, the fair value of the assets to be owned by the 1848
surviving domestic partnership; 1849

(5) The parties to the agreement of merger or consolidation 1850
in addition to the constituent entities; 1851

(6) Any additional provision necessary or desirable with 1852
respect to the proposed merger or consolidation. 1853

(D) To effect the merger or consolidation, the agreement of 1854
merger or consolidation shall be adopted by the partners of each 1855
constituent domestic partnership, including the surviving domestic 1856
partnership in the case of a merger, and shall be adopted by or 1857
otherwise authorized by or on behalf of each other constituent 1858
entity in accordance with the laws under which it exists. 1859

(E) All partners, whether or not they are entitled to vote or 1860

act, shall be given written notice of any meeting of the partners 1861
of a constituent domestic partnership or of any proposed action by 1862
the partners of a constituent domestic partnership, which meeting 1863
or action is to adopt an agreement of merger or consolidation. The 1864
notice shall be given either by mail at the address on the records 1865
of the partnership or in person. Unless the partnership agreement 1866
provides a shorter or longer period, the notice shall be given not 1867
less than seven and not more than sixty days before the meeting or 1868
the effective date of the action. The notice shall be accompanied 1869
by a copy or a summary of the material provisions of the agreement 1870
of merger or consolidation. 1871

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(F)(1) The unanimous vote or action of the partners or such 1873
different number or proportion as provided in writing in the 1874
partnership agreement is required to adopt an agreement of merger 1875
or consolidation pursuant to this section. If the agreement of 1876
merger or consolidation would effect or authorize any action that 1877
under any applicable provision of law or the partnership agreement 1878
could be effected or authorized only pursuant to a specified vote 1879
or action of the partners, or of any class or group of partners, 1880
the same vote or action as required to effect that change or 1881
authorize that action is required to adopt or approve the 1882
agreement of merger or consolidation. 1883

(2) An agreement of merger or consolidation is not effective 1884
against a person who would continue to be or who would become a 1885
general partner of a partnership that is the surviving or new 1886
entity in a merger or consolidation unless that person 1887
specifically agrees in writing either to continue or to become, as 1888
the case may be, a general partner of the partnership that is the 1889
surviving or new entity. 1890

(G)(1) At any time before the filing of the certificate of 1891
merger or consolidation pursuant to section 1776.70 of the Revised 1892

Code, if the agreement of merger or consolidation so authorizes, 1893
the partners of any constituent partnership, the directors of any 1894
constituent corporation, or the comparable representatives of any 1895
other constituent entity may abandon the merger or consolidation 1896
by the same vote or action as was required to adopt the agreement 1897
of merger or consolidation. 1898

(2) The agreement of merger or consolidation may contain a 1899
provision authorizing less than all of the partners of any 1900
constituent partnership, the directors of any constituent 1901
corporation, or the comparable representatives of any other 1902
constituent entity to amend the agreement of merger or 1903
consolidation at any time before the filing of the certificate of 1904
merger or consolidation, except that, after the adoption of the 1905
agreement of merger or consolidation by the partners of any 1906
constituent domestic partnership, only with the approval of all of 1907
the partners may an agreement of merger or consolidation be 1908
amended to do any of the following: 1909

(a) Alter or change the amount or kind of interests, shares, 1910
evidences of indebtedness, other securities, cash, rights, or any 1911
other property to be received by partners of the constituent 1912
domestic partnership in conversion of, or in exchange for, their 1913
interests; 1914

(b) Alter or change any term of the partnership agreement of 1915
the surviving or new domestic partnership, except for alterations 1916
or changes that could be adopted by those partners by the terms of 1917
the partnership agreement of the surviving or new domestic 1918
partnership as would be in effect after the merger or 1919
consolidation; 1920

(c) Alter or change any other terms and conditions of the 1921
agreement of merger or consolidation if any of the alterations or 1922
changes, alone or in the aggregate, would materially adversely 1923
affect the partners or any class or group of partners of the 1924

constituent domestic partnership. 1925

(H) As used in this section and sections 1776.69 to 1776.79 1926
of the Revised Code, "general partner" means either of the 1927
following: 1928

(1) A partner in a partnership that is not a limited 1929
liability partnership; 1930

(2) A general partner in a limited partnership. 1931

Sec. 1776.69. (A) Pursuant to a written agreement of merger 1932
or consolidation between the constituent entities as this section 1933
provides, a domestic partnership and one or more additional 1934
domestic or foreign entities may merge into a surviving entity 1935
other than a domestic partnership, or a domestic partnership 1936
together with one or more additional domestic or foreign entities 1937
may consolidate into a new entity, other than a domestic 1938
partnership, that is formed by the consolidation. No merger or 1939
consolidation may be carried out pursuant to this section unless 1940
it is permitted by the Revised Code chapter under which each 1941
domestic constituent entity exists and by the laws under which 1942
each foreign constituent entity exists. 1943

(B) Any written agreement of any merger or consolidation 1944
shall set forth all of the following: 1945

(1) The name and the form of entity of each constituent 1946
entity and the state under the laws of which each constituent 1947
entity exists; 1948

(2) In the case of a merger, that one or more specified 1949
constituent domestic partnerships and other specified constituent 1950
entities will be merged into a specified surviving foreign entity 1951
or surviving domestic entity other than a domestic partnership, 1952
or, in the case of a consolidation, that the constituent entities 1953
will be consolidated into a new foreign entity or a new domestic 1954

entity other than a domestic partnership; 1955

(3) If the surviving or new entity is a foreign partnership, 1956
all statements and matters that section 1776.68 of the Revised 1957
Code would require if the surviving or new entity were a domestic 1958
partnership; 1959

(4) The name and the form of entity of the surviving or new 1960
entity, the state under the laws of which the surviving entity 1961
exists or the new entity is to exist, and the location of the 1962
principal office of the surviving or new entity; 1963

(5) Any additional statements and matters required to be set 1964
forth in an agreement of merger or consolidation by the laws under 1965
which each constituent entity exists and, in the case of a 1966
consolidation, the new entity is to exist; 1967

(6) If the surviving or new entity is a foreign entity, the 1968
consent of the surviving or new foreign entity to be sued and 1969
served with process in this state and the irrevocable appointment 1970
of the secretary of state as its agent to accept service of 1971
process in any proceeding in this state to enforce against the 1972
surviving or new foreign entity any obligation of any constituent 1973
domestic partnership or to enforce the rights of a dissenting 1974
partner of any constituent domestic partnership; 1975

(7) If the surviving or new entity is a foreign corporation 1976
that desires to transact business in this state as a foreign 1977
corporation, a statement to that effect, together with a statement 1978
regarding the appointment of a statutory agent and service of any 1979
process, notice, or demand upon that statutory agent or the 1980
secretary of state, as required when a foreign corporation applies 1981
for a license to transact business in this state; 1982

(8) If the surviving or new entity is a foreign limited 1983
partnership that desires to transact business in this state as a 1984
foreign limited partnership, a statement to that effect, together 1985

with all of the information required under section 1782.49 of the Revised Code when a foreign limited partnership registers to transact business in this state; 1986
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(9) If the surviving or new entity is a foreign limited liability company that desires to transact business in this state as a foreign limited liability company, a statement to that effect, together with all of the information required under section 1705.54 of the Revised Code when a foreign limited liability company registers to transact business in this state; 1989
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(10) If the surviving or new entity is a foreign limited liability partnership that desires to transact business in this state as a foreign limited liability partnership, a statement to that effect, together with all of the information required under section 1776.86 of the Revised Code when a foreign limited liability partnership registers to transact business in this state. 1995
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(C) The written agreement of merger or consolidation also may set forth any additional provision permitted by the laws of any state under the laws of which any constituent entity exists, consistent with the laws under which the surviving entity exists or the new entity is to exist. 2002
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(D) To effect the merger or consolidation, the partners of each constituent domestic partnership shall adopt an agreement of merger or consolidation in the same manner and with the same notice to and vote or action of partners or of a particular class or group of partners as section 1776.68 of the Revised Code requires. The agreement of merger or consolidation also shall be approved or otherwise authorized by or on behalf of each constituent entity in accordance with the laws under which it exists. An agreement of merger or consolidation is not effective against a person who would continue to be or who would become a general partner of an entity that is the surviving or new entity 2007
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in a merger or consolidation unless that person specifically 2018
agrees in writing either to continue or to become, as the case may 2019
be, a general partner of the surviving or new entity. 2020

(E)(1) At any time before filing the certificate of merger or 2021
consolidation pursuant to section 1776.70 of the Revised Code, if 2022
the agreement of merger or consolidation permits, the partners of 2023
any constituent partnership, the directors of any constituent 2024
corporation, or the comparable representatives of any other 2025
constituent entity may abandon the merger or consolidation. 2026

(2) The agreement of merger or consolidation may authorize 2027
less than all of the partners of any constituent partnership, the 2028
directors of any constituent corporation, or the comparable 2029
representatives of any other constituent entity to amend the 2030
agreement of merger or consolidation at any time before the filing 2031
of the certificate of merger or consolidation, except that, after 2032
the adoption of the agreement of merger or consolidation by the 2033
partners of any constituent domestic partnership, only with the 2034
approval of all the partners may any agreement of merger or 2035
consolidation be amended to do any of the following: 2036

(a) Alter or change the amount or kind of interests, shares, 2037
evidences of indebtedness, other securities, cash, rights, or any 2038
other property to be received by partners of the constituent 2039
domestic partnership in conversion of or in exchange for their 2040
interests; 2041

(b) If the surviving or new entity is a partnership, alter or 2042
change any term of the partnership agreement of the surviving or 2043
new partnership, except for alterations or changes that could be 2044
adopted by those partners by the terms of the partnership 2045
agreement of the surviving or new partnership as would be in 2046
effect after the merger or consolidation; 2047

(c) If the surviving or new entity is a corporation or any 2048

other entity other than a partnership, alter or change any term of 2049
the articles or comparable instrument of the surviving or new 2050
corporation or entity, except for alterations or changes that 2051
otherwise could be adopted by the directors or comparable 2052
representatives of the surviving or new corporation or entity; 2053

(d) Alter or change any other terms and conditions of the 2054
agreement of merger or consolidation if any of the alterations or 2055
changes, alone or in the aggregate, would materially adversely 2056
affect the partners or any class or group of partners of the 2057
constituent domestic partnership. 2058

Sec. 1776.70. (A) Upon the adoption by each constituent 2059
entity of an agreement of merger or consolidation pursuant to 2060
section 1776.68 or 1776.69 of the Revised Code, the resulting 2061
entity shall file a certificate of merger or consolidation with 2062
the secretary of state, unless the only constituent entities that 2063
are domestic entities are partnerships, and in the case of a 2064
consolidation, the resulting entity is a domestic partnership, in 2065
which case the filing of a certificate of merger or consolidation 2066
is optional. Any certificate shall be on a form the secretary of 2067
state prescribes, signed by an authorized representative of each 2068
constituent entity, and set forth only the information this 2069
section requires. 2070

(B)(1) The certificate of merger or consolidation shall set 2071
forth all of the following: 2072

(a) The name and the form of entity of each constituent 2073
entity and the state under the laws of which each constituent 2074
entity exists; 2075

(b) A statement that each constituent entity has complied 2076
with all of the laws under which it exists and that the laws 2077
permit the merger or consolidation; 2078

(c) The name and mailing address of the person or entity that is to provide, in response to any written request made by a shareholder, partner, or other equity holder of a constituent entity, a copy of the agreement of merger or consolidation; 2079
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(d) The effective date of the merger or consolidation, which date shall be on or after the date of the filing of the certificate; 2083
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(e) The signature of the representative or representatives authorized to sign the certificate on behalf of each constituent entity and the office held or the capacity in which the representative is acting; 2086
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(f) A statement that the agreement of merger or consolidation is authorized on behalf of each constituent entity and that each person who signed the certificate on behalf of each entity is authorized to do so; 2090
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(g) In the case of a merger, a statement that one or more specified constituent entities will be merged into a specified surviving entity or, in the case of a consolidation, a statement that the constituent entities will be consolidated into a new entity; 2094
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(h) The name and form of the surviving entity in the case of a merger or the name and form of the new entity in the case of a consolidation; 2099
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(i) In the case of a merger, if the surviving entity is a foreign entity not licensed to transact business in this state, the name and address of the statutory agent upon whom any process, notice, or demand may be served; 2102
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(j) In the case of a consolidation, the name and address of the statutory agent upon whom any process, notice, or demand against any constituent entity or the new entity may be served. 2106
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(2) In the case of a consolidation into a new domestic corporation, limited liability company, or limited partnership, the articles of incorporation, the articles of organization, or the certificate of limited partnership of the new domestic entity shall be filed with the certificate of consolidation. 2109
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(3) In the case of a merger into a domestic corporation, limited liability company, or limited partnership, any amendments to the articles of incorporation, articles of organization, or certificate of limited partnership of the surviving domestic entity shall be filed with the certificate of merger. 2114
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(4) If the surviving or new entity is a foreign entity that desires to transact business in this state as a foreign corporation, limited liability company, limited partnership, or limited liability partnership, the certificate of merger or consolidation shall be accompanied by the information required by division (B)(7), (8), (9), or (10) of section 1776.69 of the Revised Code. 2119
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(5) If a domestic corporation or a foreign corporation licensed to transact business in this state is a constituent entity and the surviving or new entity resulting from the merger or consolidation is not a domestic corporation or a foreign corporation that is to be licensed to transact business in this state, the certificate of merger or consolidation shall be accompanied by the affidavits, receipts, certificates, or other evidence required by division (H) of section 1701.86 of the Revised Code, with respect to each domestic constituent corporation, and by the affidavits, receipts, certificates, or other evidence required by division (C) or (D) of section 1703.17 of the Revised Code, with respect to each foreign constituent corporation licensed to transact business in this state. 2126
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(C) If any constituent entity in a merger or consolidation is organized or formed under the laws of a state other than this 2139
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state or under any chapter of the Revised Code other than this 2141
chapter, there also shall be filed in the proper office all 2142
documents that are required to be filed in connection with the 2143
merger or consolidation by the laws of that state or by that 2144
chapter. 2145

(D)(1) Upon the filing of a certificate of merger or 2146
consolidation and other filings as described in division (C) of 2147
this section, or at any later date that the certificate of merger 2148
or consolidation specifies, the merger or consolidation is 2149
effective, subject to the limitation specified in division (B)(6) 2150
of section 1776.68 of the Revised Code. 2151

(2) If domestic partnerships are the only domestic entities 2152
that are constituent entities or the resulting entity in a merger 2153
or consolidation, and the agreement of merger or consolidation 2154
provides for a means of determining when the merger becomes 2155
effective, other than based upon the filing of a certificate of 2156
merger, the merger becomes effective at the time determined in 2157
accordance with the agreement of merger or consolidation. 2158

(E)(1) Upon request and payment of the fee division (K)(2) of 2159
section 111.16 of the Revised Code specifies, the secretary of 2160
state shall furnish a certificate setting forth the name and form 2161
of entity of each constituent entity and the states under the laws 2162
of which each constituent entity existed prior to the merger or 2163
consolidation, the name and the form of entity of the surviving or 2164
new entity and the state under the laws of which the surviving 2165
entity exists or the new entity is to exist, the date of filing of 2166
the certificate of merger or consolidation with the secretary of 2167
state, and the effective date of the merger or consolidation. 2168

(2) The certificate of the secretary of state, or a copy of 2169
the certificate of merger or consolidation certified by the 2170
secretary of state, may be filed for record in the office of the 2171
recorder of any county in this state and, if filed, shall be 2172

recorded in the records of deeds for that county. For that 2173
recording, the county recorder shall charge and collect the same 2174
fee as in the case of deeds. 2175

Sec. 1776.71. (A) When a merger or consolidation becomes 2176
effective, all of the following apply: 2177

(1) The separate existence of each constituent entity other 2178
than the surviving entity in a merger shall cease, except that 2179
whenever a conveyance, assignment, transfer, deed, or other 2180
instrument or act is necessary to vest property or rights in the 2181
surviving or new entity, the partners, officers, or other 2182
authorized representatives of the respective constituent entities 2183
shall execute, acknowledge, and deliver those instruments and do 2184
those acts. For these purposes, the existence of the constituent 2185
entities and the authority of their respective partners, officers, 2186
directors, or other representatives continue notwithstanding the 2187
merger or consolidation. 2188

(2) In a consolidation, the new entity exists when the 2189
consolidation becomes effective. If the new entity is a domestic 2190
partnership, its original partnership agreement is the written 2191
partnership agreement that is contained in or provided for in the 2192
agreement of consolidation. 2193

(3) In a merger in which the surviving entity is a 2194
partnership, the written partnership agreement of the surviving 2195
partnership that is in effect immediately prior to the time the 2196
merger becomes effective is its partnership agreement after the 2197
merger except as otherwise provided in the agreement of merger. 2198

(4) The surviving or new entity possesses all of the 2199
following, and all of the following are vested in the surviving or 2200
new entity without any further act or deed: 2201

(a) Except to the extent limited by the mandatory provisions 2202

<u>of applicable law:</u>	2203
<u>(i) All assets and property of every description of each constituent entity, and every interest in the assets and property of each constituent entity, wherever the assets, property, and interests are located. Title to any real estate or any interest in real estate that was vested in any constituent entity does not revert and is not in any way impaired by reason of the merger or consolidation.</u>	2204 2205 2206 2207 2208 2209 2210
<u>(ii) The rights, privileges, immunities, powers, franchises, and authority, whether of a public or private nature, of each constituent entity.</u>	2211 2212 2213
<u>(b) All obligations belonging to or due to each constituent entity.</u>	2214 2215
<u>(5) The surviving or new entity is liable for all the obligations of each constituent entity, including liability to dissenting partners, dissenting shareholders, or other dissenting equity holders. Any claim existing or any action or proceeding pending by or against any constituent entity may be prosecuted to judgment with right of appeal as if the merger or consolidation had not taken place, or the surviving or new entity may be substituted in place of any constituent entity.</u>	2216 2217 2218 2219 2220 2221 2222 2223
<u>(6) All the rights of creditors of each constituent entity are preserved unimpaired, and all liens upon the property of any constituent entity are preserved unimpaired, on only the property affected by those liens immediately before the effective date of the merger or consolidation. When a partner of a constituent partnership is not a general partner of the entity surviving or the new entity resulting from the merger or consolidation, the former partner is deemed to have dissociated as of that effective date of the merger or consolidation and the former partner's liability to third parties is determined in accordance with</u>	2224 2225 2226 2227 2228 2229 2230 2231 2232 2233

section 1776.56 of the Revised Code. The filing of a certificate 2234
of merger or consolidation from which it is clear that the former 2235
partner is not a general partner of the surviving or new entity 2236
has the effect provided by the filing of a statement of 2237
dissociation as provided in section 1776.57 of the Revised Code. 2238

(B) When a partner of a constituent partnership is not a 2239
general partner of the entity surviving or the new entity 2240
resulting from the merger or consolidation, unless that partner 2241
agrees otherwise in writing, the surviving or new entity shall 2242
indemnify the partner against all present or future liabilities of 2243
the constituent partnership of which the partner was a partner. 2244
Any amount payable pursuant to section 1776.77 of the Revised Code 2245
to a partner of the constituent partnership in which that partner 2246
was a partner is a present liability of that constituent 2247
partnership. 2248

(C) In the case of a merger of a constituent domestic 2249
partnership into a foreign surviving corporation, limited 2250
liability company, limited partnership, or limited liability 2251
partnership that is not licensed or registered to transact 2252
business in this state, or a consolidation of a constituent 2253
domestic partnership into a new foreign corporation, limited 2254
liability company, limited partnership, or limited liability 2255
partnership when the surviving or new entity intends to transact 2256
business in this state and the certificate of merger or 2257
consolidation is accompanied by the information described in 2258
division (B)(4) of section 1776.70 of the Revised Code, then on 2259
the effective date of the merger or consolidation the surviving or 2260
new entity shall be considered to have complied with the 2261
requirements for procuring a license or for registration to 2262
transact business in this state as a foreign corporation, limited 2263
liability company, limited partnership, or limited liability 2264
partnership, as the case may be. In such a case, a copy of the 2265

certificate of merger or consolidation certified by the secretary 2266
of state constitutes the license certificate prescribed for a 2267
foreign corporation or the application for registration prescribed 2268
for a foreign limited liability company or foreign limited 2269
partnership. 2270

(D) Any action to set aside any merger or consolidation on 2271
the ground that any section of the Revised Code applicable to the 2272
merger or consolidation has not been complied with shall be 2273
brought within ninety days after the effective date of the merger 2274
or consolidation or forever be barred. 2275

(E) When an entity is organized or existing under the laws of 2276
any state other than this state, this section is subject to the 2277
laws of that state or the state in which the entity has property. 2278

Sec. 1776.72. (A) Subject to division (B)(2) of this section, 2279
pursuant to a written declaration of conversion as provided in 2280
this section, a domestic or foreign entity other than a domestic 2281
partnership may be converted into a domestic partnership if that 2282
conversion is permitted by any section of the Revised Code or the 2283
laws under which the converting entity exists. 2284

(B)(1) The written declaration of conversion shall set forth 2285
all of the following: 2286

(a) The name and form of entity that is being converted, the 2287
name of the entity into which the entity is being converted, and 2288
the jurisdiction of formation of the converting entity; 2289

(b) If the converted entity is a limited liability 2290
partnership, the converted entity's registration application; 2291

(c) The partnership agreement of the converted domestic 2292
partnership or a provision that the written agreement of the 2293
converting entity, a copy of which shall be attached to the 2294
declaration of conversion, with any amendments that are set forth 2295

<u>in the declaration of conversion, is the agreement of the</u>	2296
<u>resulting converted domestic partnership;</u>	2297
<u>(d) The partners of the converted partnership;</u>	2298
<u>(e) All statements and matters required to be set forth in an</u>	2299
<u>instrument of conversion by the laws under which the converting</u>	2300
<u>entity exists;</u>	2301
<u>(f) The terms of the conversion, the mode of carrying those</u>	2302
<u>terms into effect, and the manner and basis of converting the</u>	2303
<u>interests or shares of the converting entity into, or exchanging</u>	2304
<u>the interests or shares in the converting entity for, interests,</u>	2305
<u>evidences of indebtedness, other securities, cash, rights, or any</u>	2306
<u>other property or any combination of interests, evidences of</u>	2307
<u>indebtedness, other securities, cash, rights, or any other</u>	2308
<u>property of the converted partnership.</u>	2309
<u>(2) No conversion or exchange described in this section shall</u>	2310
<u>be effected if there are reasonable grounds to believe that the</u>	2311
<u>conversion or exchange would render the converted partnership</u>	2312
<u>unable to pay its obligations as they become due in the usual</u>	2313
<u>course of its affairs.</u>	2314
<u>(C) The written declaration of conversion may set forth any</u>	2315
<u>of the following:</u>	2316
<u>(1) The effective date of the conversion, to be on or after</u>	2317
<u>the date of the filing of the certificate of conversion pursuant</u>	2318
<u>to section 1776.74 of the Revised Code;</u>	2319
<u>(2) A provision authorizing the converting entity to abandon</u>	2320
<u>the proposed conversion by an action that is taken prior to the</u>	2321
<u>filing of the certificate of conversion pursuant to section</u>	2322
<u>1776.74 of the Revised Code;</u>	2323
<u>(3) A statement of, or a statement of the method to be used</u>	2324
<u>to determine, the fair value of the assets owned by the converting</u>	2325

<u>entity at the time of the conversion;</u>	2326
<u>(4) The parties to the declaration of conversion in addition to the converting entity;</u>	2327
<u>(5) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity.</u>	2329
<u>(D) At any time before the filing of the certificate of conversion pursuant to section 1776.74 of the Revised Code, the conversion may be abandoned by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion.</u>	2330
<u>(E) Unless the converted entity is a limited liability partnership, each person that will be a partner of the partnership that is the converted entity specifically shall agree in writing to be a partner in the partnership that is the converted entity.</u>	2331
<u>Sec. 1776.73. (A) Except as otherwise provided in division (B)(2) of this section, a domestic partnership may be converted into a domestic or foreign entity other than a domestic partnership pursuant to a written declaration of conversion as this section provides if that conversion is permitted by the chapter of the Revised Code or by the laws under which the converted entity will exist.</u>	2332
<u>(B)(1) The written declaration of conversion shall set forth all of the following:</u>	2333
<u>(a) The name and form of entity that is being converted, the name of the entity into which the entity will be converted, the form of the converted entity, and the jurisdiction of formation of the converted entity;</u>	2334
<u>(b) If the converted entity is a domestic entity, the complete terms of all documents required under the applicable chapter of the Revised Code to form the converted entity;</u>	2335
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<u>(c) If the converted entity is a foreign entity, all of the</u>	2356
<u>following:</u>	2357
<u>(i) The complete terms of all documents required under the</u>	2358
<u>law governing the converted entity's formation;</u>	2359
<u>(ii) The consent of the converted entity to be sued and</u>	2360
<u>served with process in this state, and the irrevocable appointment</u>	2361
<u>of the secretary of state as the agent of the converted entity to</u>	2362
<u>accept service of process in this state to enforce against the</u>	2363
<u>converted entity any obligation of the converting partnership or</u>	2364
<u>to enforce the rights of a dissenting partner of the converting</u>	2365
<u>partnership;</u>	2366
<u>(iii) If the converted entity desires to transact business in</u>	2367
<u>this state, the information required to qualify or be licensed</u>	2368
<u>under the applicable chapter of the Revised Code.</u>	2369
<u>(d) All other statements and matters required to be set forth</u>	2370
<u>in the declaration of conversion by the applicable chapter of the</u>	2371
<u>Revised Code if the converted entity is a domestic entity, or by</u>	2372
<u>the laws under which the converted entity will be formed, if the</u>	2373
<u>converted entity is a foreign entity;</u>	2374
<u>(e) The terms of the conversion, the mode of carrying those</u>	2375
<u>terms into effect, and the manner and basis of converting the</u>	2376
<u>interests of shares of the converting partnership into, or</u>	2377
<u>exchanging the interests in the converting partnership for,</u>	2378
<u>interests, evidences of indebtedness, other securities, cash,</u>	2379
<u>rights, or any other property or any combination of interests,</u>	2380
<u>evidences of indebtedness, other securities, cash, rights, or any</u>	2381
<u>other property of the converted entity.</u>	2382
<u>(2) No conversion or exchange described in this section shall</u>	2383
<u>be effected if there are reasonable grounds to believe that the</u>	2384
<u>conversion or exchange would render the converted entity unable to</u>	2385
<u>pay its obligations as the obligations become due in the usual</u>	2386

<u>course of its affairs.</u>	2387
<u>(C) The written declaration of conversion may set forth any</u>	2388
<u>of the following:</u>	2389
<u>(1) The effective date of the conversion, to be on or after</u>	2390
<u>the filing date of the certificate of conversion pursuant to</u>	2391
<u>section 1776.74 of the Revised Code;</u>	2392
<u>(2) A provision authorizing the converting partnership to</u>	2393
<u>abandon the proposed conversion by an action of the partners of</u>	2394
<u>the converting partnership that is taken prior to filing the</u>	2395
<u>certificate of conversion pursuant to section 1776.74 of the</u>	2396
<u>Revised Code;</u>	2397
<u>(3) A statement of, or a statement of the method to be used</u>	2398
<u>to determine, the fair value of the assets owned by the converting</u>	2399
<u>partnership at the time of the conversion;</u>	2400
<u>(4) A listing of the parties to the declaration of</u>	2401
<u>conversion, in addition to the converting entity;</u>	2402
<u>(5) Any additional provision necessary or desirable with</u>	2403
<u>respect to the proposed conversion or the converted entity.</u>	2404
<u>(D) No declaration of conversion is effective unless adopted</u>	2405
<u>by the partners.</u>	2406
<u>(E)(1) Each partner, whether or not entitled to vote or act,</u>	2407
<u>shall be given written notice of any meeting of partners of a</u>	2408
<u>partnership or any proposed action by the partners that is to</u>	2409
<u>adopt a declaration of conversion. The notice shall be given to</u>	2410
<u>the partners either as provided in writing in the partnership</u>	2411
<u>agreement, by mail at the address of each partner as it appears on</u>	2412
<u>the records of the partnership, or in person. Unless the</u>	2413
<u>partnership agreement provides a shorter or longer period, notice</u>	2414
<u>shall be given not less than seven nor more than sixty days before</u>	2415
<u>the meeting or the effective date of the action.</u>	2416

(2) A copy or a summary of the material provisions of the 2417
declaration of conversion shall accompany the notice described in 2418
division (E)(1) of this section. 2419

(F) The unanimous vote or action of the partners of a 2420
converting partnership, or a different number or proportion as 2421
provided in writing in the partnership agreement, is required to 2422
adopt a declaration of conversion. If the declaration of 2423
conversion would effect or authorize any action that under any 2424
applicable law or the partnership agreement could be effected or 2425
authorized only pursuant to a specified vote or action of the 2426
partners or a class or group of partners, the same vote or action 2427
as would be required to effect that change or authorize that 2428
action is necessary to adopt or approve the declaration of 2429
conversion. 2430

(G)(1) At any time before the filing of the certificate of 2431
conversion pursuant to section 1776.74 of the Revised Code, the 2432
conversion may be abandoned by all of the partners of the 2433
converting partnership or by any representatives authorized to do 2434
so by the declaration of conversion, or by the same vote as was 2435
required to adopt the declaration of conversion. 2436

(2) The declaration of conversion may contain a provision 2437
authorizing less than all of the partners to amend the declaration 2438
of conversion at any time before the filing of the certificate of 2439
conversion pursuant to section 1776.74 of the Revised Code, except 2440
that after the partners adopt the declaration of conversion, 2441
approval of all of the partners is necessary to amend the 2442
declaration of conversion to do any of the following: 2443

(a) Alter or change the amount or kind of interests, shares, 2444
evidences of indebtedness, other securities, cash, rights, or any 2445
other property to be received by the partners of the converting 2446
partnership in conversion of, or exchange for, their interests; 2447

(b) Alter or change any term of the organizational documents of the converted entity except for alterations or changes that are adopted with the vote or action of the persons the vote or action of which would be required for the alteration or change after the conversion; 2448
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(c) Alter or change any other terms and conditions of the declaration of conversion if any of the alterations or changes, alone or in the aggregate, materially and adversely would affect the partners or any class or group of partners of the converting partnership. 2453
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Sec. 1776.74. (A) Upon the adoption of a declaration of conversion pursuant to section 1776.72 or 1776.73 of the Revised Code, or at a later time as authorized by the declaration of conversion, a certificate of conversion that is signed by an authorized representative of the converting entity shall be filed by the authorized representative with the secretary of state. The certificate shall be on a form prescribed by the secretary of state and shall set forth only the information required by this section. 2458
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(B)(1) The certificate of conversion shall set forth all of the following: 2467
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(a) The name and the form of entity of the converting entity and the state under the laws of which the converting entity exists; 2469
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(b) A statement that the converting entity has complied with all of the laws under which it exists and that those laws permit the conversion; 2472
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(c) The name and mailing address of the person or entity that is to provide a copy of the declaration of conversion in response to any written request made by a shareholder, partner, or member 2475
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<u>of the converting entity;</u>	2478
<u>(d) The effective date of the conversion, which date may be</u>	2479
<u>on or after the date of the filing of the certificate pursuant to</u>	2480
<u>this section;</u>	2481
<u>(e) The signature of the representative or representatives</u>	2482
<u>authorized to sign the certificate on behalf of the converting</u>	2483
<u>entity and the office held or the capacity in which the</u>	2484
<u>representative is acting;</u>	2485
<u>(f) A statement that the declaration of conversion is</u>	2486
<u>authorized on behalf of the converting entity and that each person</u>	2487
<u>who has signed the certificate on behalf of the converting entity</u>	2488
<u>is authorized to do so;</u>	2489
<u>(g) The name and the form of the converted entity and the</u>	2490
<u>state under the laws of which the converted entity will exist;</u>	2491
<u>(h) If the converted entity is a foreign entity that will not</u>	2492
<u>be licensed in this state, the name and address of the statutory</u>	2493
<u>agent upon whom any process, notice, or demand may be served.</u>	2494
<u>(2) In the case of a conversion into a new domestic</u>	2495
<u>corporation, limited liability company, limited partnership, or</u>	2496
<u>other partnership, any organizational document that would be filed</u>	2497
<u>upon the creation of the converted entity shall be filed with the</u>	2498
<u>certificate of conversion.</u>	2499
<u>(3) If the converted entity is a foreign entity that desires</u>	2500
<u>to transact business in this state, the certificate of conversion</u>	2501
<u>shall be accompanied by the information required by division</u>	2502
<u>(B)(7), (8), (9), or (10) of section 1776.69 of the Revised Code.</u>	2503
<u>(4) If a domestic corporation or a foreign corporation</u>	2504
<u>licensed to transact business in this state is the converting</u>	2505
<u>entity, the certificate of conversion shall be accompanied by the</u>	2506
<u>affidavits, receipts, certificates, or other evidence required by</u>	2507

division (H) of section 1701.86 of the Revised Code with respect 2508
to a converting domestic corporation, or by the affidavits, 2509
receipts, certificates, or other evidence required by division (C) 2510
or (D) of section 1703.17 of the Revised Code with respect to a 2511
foreign corporation. 2512

(C) If the converting entity or the converted entity is 2513
organized or formed under the laws of a state other than this 2514
state or under any chapter of the Revised Code other than this 2515
chapter, all documents required to be filed in connection with the 2516
conversion by the laws of that state or that chapter also shall be 2517
filed in the proper office. 2518

(D) Upon the filing of a certificate of conversion and other 2519
filings required by division (C) of this section, or at any later 2520
date that the certificate of conversion specifies, the conversion 2521
is effective, subject to the limitation that no conversion shall 2522
be effected if there are reasonable grounds to believe that the 2523
conversion would render the converted entity unable to pay its 2524
obligations as the obligations become due in the usual course of 2525
the converted entity's affairs. 2526

(E) Upon request and payment of the fee specified in division 2527
(K)(2) of section 111.16 of the Revised Code, the secretary of 2528
state shall furnish a certificate setting forth all of the 2529
following: 2530

(1) The name and form of entity of the converting entity and 2531
the state under the laws of which it existed prior to the 2532
conversion; 2533

(2) The name and the form of entity of the converted entity 2534
and the state under the law of which it will exist; 2535

(3) The date of filing of the certificate of conversion with 2536
the secretary of state and the effective date of the conversion. 2537

(F) The certificate of the secretary of state or a copy of 2538

the certificate of conversion certified by the secretary of state, 2539
may be filed for record in the office of the recorder of any 2540
county in this state and, if filed, shall be recorded in the 2541
records of deeds for that county. For the recording, the county 2542
recorder shall charge and collect the same fee as in the case of 2543
deeds. 2544

Sec. 1776.75. (A) Upon a conversion becoming effective, all 2545
of the following apply: 2546

(1) The converting entity is continued in the converted 2547
entity. 2548

(2) The converted entity exists, and the converting entity 2549
ceases to exist. 2550

(3) The converted entity possesses both of the following and 2551
both of the following continue in the converted entity without any 2552
further act or deed: 2553

(a) Except to the extent limited by requirements of 2554
applicable law, both of the following: 2555

(i) All assets and property of every description of the 2556
converting entity and every interest in the assets and property of 2557
the converting entity, wherever the assets, property, and 2558
interests are located. Title to any real estate or any interest in 2559
real estate that was vested in the converting entity does not 2560
revert or in any way is impaired by reason of the conversion. 2561

(ii) The rights, privileges, immunities, powers, franchises, 2562
and authority, whether of a public or a private nature, of the 2563
converting entity. 2564

(b) All obligations belonging or due to the converting 2565
entity. 2566

(4) All the rights of creditors of the converting entity are 2567
preserved unimpaired, and all liens upon the property of the 2568

converting entity are preserved unimpaired. A partner of a 2569
converting partnership who is not a general partner of the 2570
converted entity is not liable for any obligation incurred after 2571
the conversion except for either of the following: 2572

(a) If the converted entity is a partnership, to the extent 2573
that a creditor of the converting partnership extends credit to 2574
the converted entity, reasonably believing that the former partner 2575
is a general partner of the converted entity; 2576

(b) If the converted entity is not a partnership then to the 2577
extent provided in division (B) of section 1776.56 of the Revised 2578
Code, deeming for purposes of this division that a certificate of 2579
conversion constitutes a statement of dissociation under section 2580
1776.57 of the Revised Code. 2581

(B) If a partner of a converting partnership is not a general 2582
partner of the converted entity, unless that partner agrees 2583
otherwise in writing, the converted entity shall indemnify the 2584
partner against all present or future liabilities of the 2585
converting partnership of which the partner was a partner. 2586
Liabilities of the converting partnership, for purposes of this 2587
division, include any amount payable pursuant to section 1776.77 2588
of the Revised Code to a partner of the converting partnership. 2589

(C) In the case of a conversion into a foreign corporation, 2590
limited liability company, limited partnership, or limited 2591
liability partnership that is not licensed or registered to 2592
transact business in this state, if the converted entity intends 2593
to transact business in this state and the certificate of 2594
conversion is accompanied by the information described in division 2595
(B)(4) of section 1776.70 of the Revised Code, on the effective 2596
date of the conversion the converted entity is considered to have 2597
complied with the requirements for procuring a license or 2598
registration to transact business in this state as a foreign 2599
corporation, limited liability company, limited partnership, or 2600

limited liability partnership as the case may be. A copy of the 2601
certificate of conversion certified by the secretary of state 2602
constitutes the license certificate prescribed for a foreign 2603
corporation or the application for registration prescribed for a 2604
foreign limited liability company, foreign limited partnership, or 2605
foreign limited liability partnership. 2606

(D) Any action to set aside a conversion on the grounds of 2607
noncompliance with a section of the Revised Code that is 2608
applicable to the conversion shall be forever barred unless that 2609
action is brought within ninety days after the effective date of 2610
the conversion. 2611

(E) In the case of a converting or converted entity organized 2612
or existing under the laws of any state other than this state, 2613
this section is subject to the laws of the state under which that 2614
entity exists or in which it has property. 2615

Sec. 1776.76. (A) Unless otherwise provided in writing in the 2616
partnership agreement of a constituent domestic partnership, all 2617
of the following are entitled to relief as dissenting partners as 2618
provided in section 1776.77 of the Revised Code: 2619

(1) Partners of a domestic partnership that is being merged 2620
or consolidated into a surviving or new entity, domestic or 2621
foreign, pursuant to section 1776.68 or 1776.69 of the Revised 2622
Code; 2623

(2) In the case of a merger into a domestic partnership, 2624
partners of the surviving domestic partnership who under section 2625
1776.68 of the Revised Code are entitled to vote or act on the 2626
adoption of an agreement of merger, but only as to the interests 2627
so entitling them to vote or act. 2628

(3) Partners of a domestic partnership that is converting 2629
into a converted entity pursuant to section 1776.73 of the Revised 2630

Code. 2631

(B) Unless otherwise expressly agreed to in writing, a 2632
general partner of any constituent partnership is liable to the 2633
partners of the constituent partnership for any amount payable to 2634
them pursuant to section 1776.77 of the Revised Code as if the 2635
amount payable were an existing liability of the constituent 2636
partnership at the time of the merger, consolidation, or 2637
conversion. 2638

Sec. 1776.77. (A) A partner of a domestic partnership is 2639
entitled to relief as a dissenting partner with respect to the 2640
proposals described in section 1776.76 of the Revised Code only as 2641
this section provides. 2642

(B)(1) When a proposal of merger, consolidation, or 2643
conversion is submitted to the partners at a meeting, a partner 2644
may be a dissenting partner only if that partner is a record 2645
holder of the partnership interests as to which the partner seeks 2646
relief as of the date fixed for the determination of partners 2647
entitled to notice of the meeting, and has not voted those 2648
interests in favor of the proposal. 2649

(2) Not later than ten days after the date on which a vote on 2650
a proposal for merger, consolidation, or conversion is taken at 2651
the meeting of the partners, a dissenting partner shall deliver to 2652
the partnership a written demand for payment of the fair cash 2653
value of the interests to which the dissenting partner seeks 2654
relief. The demand shall state the dissenting partner's address, 2655
the number and class of those interests, and the amount the 2656
dissenting partner claims as the fair cash value of the interests. 2657

(C)(1) If the proposal of merger, consolidation, or 2659
conversion is submitted to the partners for written approval or 2660
other action without a meeting, a partner may be a dissenting 2661

partner only if on the date the request for approval or action is 2662
sent to the partners entitled to act or approve the partner is a 2663
record holder of those interests of the partnership to which the 2664
partner seeks relief and the partner did not indicate approval of 2665
the proposal in the partner's capacity as a holder of those 2666
interests. 2667

(2) Not later than fifteen days after the date on which the 2668
request for approval of or action on the proposal is sent to the 2669
partners, the dissenting partner shall deliver to the partnership 2670
a written demand for payment of the fair cash value of the 2671
interests to which the partner seeks relief. The demand shall 2672
state the dissenting partner's address, the number and class of 2673
interests, and the amount the partner claims as the fair cash 2674
value of those interests. 2675

(D) In any merger or consolidation, a demand served on the 2676
involved constituent domestic partnership constitutes service on 2677
the surviving entity or the new entity, whether that demand is 2678
served before, on, or after the effective date of the merger or 2679
consolidation. In any conversion, a demand served on the 2680
converting domestic partnership constitutes service on the 2681
converted entity, whether that demand is served before, on, or 2682
after the effective date of the conversion. 2683

(E)(1) When the interests as to which a dissenting partner 2684
seeks relief are represented by certificates, and the domestic 2685
partnership sends the dissenting partner a request for 2686
certificates representing those interests, within fifteen days 2687
from the date on which the request is sent, the dissenting partner 2688
shall deliver to the partnership the requested certificates. The 2689
partnership shall endorse a legend on each certificate to the 2690
effect that the partner has made a demand for the fair cash value 2691
of the interests the certificate represents. The partnership 2692
promptly shall return the endorsed certificates to the dissenting 2693

partner. 2694

(2) At the option of the partnership, the partnership may 2695
terminate a partner's rights as a dissenting partner by sending a 2696
written notice to the dissenting partner within twenty days after 2697
the lapse of the fifteen-day period if the partner fails to 2698
deliver the certificates, unless a court for good cause shown 2699
otherwise directs. A partnership's request pursuant to this 2700
division is not an admission that the holder of the interest is 2701
entitled to relief under this section. 2702

(3) If an interest represented by a certificate that contains 2703
a legend is transferred, each new certificate issued shall bear a 2704
similar legend and the name of the original dissenting holder of 2705
those interests. 2706

(4) Upon receiving a demand for payment from a dissenting 2707
partner who is a record holder of uncertificated interests, the 2708
partnership shall make an appropriate notation of the demand for 2709
payment in its records. When an uncertificated interest for which 2710
a dissenting partner demands payment is to be transferred, any 2711
writing to evidence that transfer shall bear the legend required 2712
for certificated interests as this section provides. 2713

(5) A transferee of interests who receives an endorsed 2714
certificate or an uncertificated interest with a notation acquires 2715
only those rights in the partnership as the original partner 2716
holding those interests had immediately after the service of a 2717
demand for payment of the fair cash value of the interests. 2718

(F) Unless the partnership agreement of the constituent 2719
domestic partnership provides a reasonable basis for determining 2720
and paying the fair cash value of the interests for which a 2721
dissenting partner seeks relief, or unless the partnership and the 2722
dissenting partner have come to an agreement on the fair cash 2723
value of the interests, the dissenting partner or the partnership, 2724

which may be the surviving or new entity in the case of a merger 2725
or consolidation, or the converted entity in the case of a 2726
conversion, within ninety days after the service of the dissenting 2727
partner's demand, may file a complaint under section 1776.78 of 2728
the Revised Code in the court of common pleas of the county in 2729
which the principal office of the partnership that issued the 2730
interests is located or was located when the partners adopted the 2731
proposal of merger, consolidation, or conversion. The complaint 2732
shall be filed in the court of common pleas of Franklin county if 2733
the domestic partnership does not have, or did not have at the 2734
time of the demand, its principal office in this state. 2735

Other dissenting partners, within that ninety-day period, may 2736
join as plaintiffs or may be joined as defendants, and any two or 2737
more proceedings may be consolidated. 2738

(G) The right and obligation of a dissenting partner to 2739
receive fair cash value and to sell the interests to which the 2740
dissenting partner seeks relief, and the right and obligation of 2741
the domestic partnership to purchase those interests and to pay 2742
the fair cash value of them, terminate under any of the following 2743
circumstances: 2744

(1) The dissenting partner does not comply with this section, 2745
unless the partnership waives that failure. 2746

(2) The partnership abandons the merger, consolidation, or 2747
conversion or is finally enjoined or prevented from carrying it 2748
out, or the partners rescind their adoption or approval of the 2749
merger, consolidation, or conversion. 2750

(3) The dissenting partner withdraws the demand, with the 2751
consent of the partnership. 2752

(4) The partnership agreement does not provide a reasonable 2753
basis for determining and paying the dissenting partner the fair 2754
cash value of the dissenting partner's interest, the partnership 2755

and the dissenting partner have not agreed upon the fair cash 2756
value of the interest, and neither the dissenting partner nor the 2757
partnership has filed or joined in a complaint under division (F) 2758
of this section within the period that division provides. 2759

(H)(1) Unless otherwise provided in the partnership 2760
agreement, from the time the dissenting partner gives a demand 2761
until either the termination of the rights and obligations arising 2762
from it or the purchase of the interests by the partnership, all 2763
other rights accruing from those interests, including voting or 2764
distribution rights, are suspended. If, during the suspension, any 2765
distribution is paid in money upon interests of that class, or any 2766
dividend, distribution, or interest is paid in money upon any 2767
securities issued in extinguishment of, or in substitution for, 2768
that interest, the holder of record shall be paid as a credit upon 2769
the fair cash value of the interests an amount equal to the 2770
dividend, distribution, or interest that would have been payable 2771
upon those interests or securities, if not for the suspension. 2772

(2) If the right to receive the fair cash value is terminated 2773
other than by the purchase of the interests by the partnership, 2774
all rights of the dissenting partner shall be restored and all 2775
distributions that would have been made if not for the suspension 2776
shall be made to the holder of record of the interests at the time 2777
of termination. 2778

Sec. 1776.78. (A)(1) When authorized by division (F) of 2779
section 1776.77 of the Revised Code, a dissenting partner or a 2780
partnership may file a complaint under this section demanding the 2781
relief this section describes. Any complaint shall contain a brief 2782
statement of the facts, including the vote or action by the 2783
partners and the facts entitling the dissenting partner to the 2784
relief demanded. No answer to a complaint is required. Upon the 2785
filing of a complaint, the court, on motion of the petitioner, 2786

shall enter an order fixing a date for a hearing and require a 2787
copy of the complaint, a notice of the filing, and the date for 2788
the hearing be given to the respondent or defendant pursuant to 2789
the Rules of Civil Procedure. 2790

(2) On the date fixed for the hearing, the court shall 2791
determine from the complaint and from evidence either party 2792
submits whether the dissenting partner is entitled to be paid the 2793
fair cash value of any interests and, if so, the number and class 2794
of those interests. The court may appoint one or more persons as 2795
appraisers to receive evidence and to recommend a decision on the 2796
amount of the fair cash value if the court finds that the 2797
dissenting partner is entitled to the payment of the fair cash 2798
value of interests. The appraisers have the power and authority as 2799
the order of their appointment specifies. The court shall make a 2800
finding as to the fair cash value of the interests and shall 2801
render judgment against the partnership for the payment of it, 2802
with interest at a rate and from a date as the court considers 2803
equitable. 2804

(3) The court shall assess or apportion the costs of the 2805
proceeding, including reasonable compensation to the appraisers to 2806
be fixed by the court, as the court considers equitable. The 2807
proceeding is a special proceeding and final orders in it may be 2808
vacated, modified, or reversed on appeal pursuant to the rules of 2809
appellate procedure and, to the extent not in conflict with those 2810
rules, to Chapter 2505. of the Revised Code. 2811

(4) If, during the pendency of any proceeding under this 2812
section, a suit or proceeding is instituted to enjoin or otherwise 2813
to prevent the carrying out of the action as to which the partner 2814
has dissented, the proceeding instituted under this section shall 2815
be stayed until the final determination of the other suit or 2816
proceeding. 2817

(5) Unless any provision of division (G) of section 1776.77 2818
of the Revised Code applies, the fair cash value of the interests 2819
that the parties agree upon under section 1776.77 of the Revised 2820
Code or that the court fixes under this section shall be paid 2821
within thirty days after the date of final determination of value 2822
or the consummation of the merger, consolidation, or conversion, 2823
whichever occurs last, provided that in the case of holders of 2824
interests represented by certificates, payment shall be made only 2825
upon and simultaneously with the surrender to the domestic 2826
partnership of the certificates representing the interests for 2827
which the payment is made. 2828

(B) If the proposal of merger, consolidation, or conversion 2829
is submitted to the partners of the partnership for a vote at a 2830
meeting, the fair cash value as to those partners shall be 2831
determined as of the day before the day on which the vote is 2832
taken. If the proposal is submitted to the partners for written 2833
approval or other action, the fair cash value as to those partners 2834
shall be determined as of the day prior to the day on which the 2835
request for the approval or action is sent. 2836

(C) The fair cash value of an interest for purposes of this 2837
section is the amount that a willing seller who is under no 2838
compulsion to sell would be willing to accept and that a willing 2839
buyer who is under no compulsion to purchase would be willing to 2840
pay. In no case shall the fair cash value paid to any partner 2841
exceed the amount specified in that partner's demand. The 2842
computation of the fair cash value shall exclude any appreciation 2843
or depreciation in value resulting from the merger, consolidation, 2844
or conversion. 2845

Sec. 1776.79. When a domestic partnership is a constituent 2846
entity to a merger or consolidation that has become effective, and 2847
that domestic partnership is not the surviving or resulting entity 2848

of the merger or consolidation, or a domestic partnership is the 2849
converting entity in a conversion, a judgment creditor of a 2850
partner of that domestic partnership shall not levy execution 2851
against the assets of the partner to satisfy a judgment based on a 2852
claim against the surviving or resulting entity of the merger, 2853
consolidation, or conversion unless any of the following applies: 2854

(A) The claim is for an obligation of the domestic 2855
partnership for which the partner is liable as this chapter 2856
provides and any of the following is true: 2857

(1) A judgment based on the same claim entered was against 2858
the surviving or resulting entity of the merger, consolidation, or 2859
conversion and a writ of execution on the judgment was returned 2860
unsatisfied in whole or in part. 2861

(2) The surviving or resulting entity of the merger or 2862
consolidation or the entity resulting from the conversion is a 2863
debtor in bankruptcy. 2864

(3) The partner agreed that the creditor need not exhaust the 2865
assets of a domestic partnership that was not the surviving or 2866
resulting entity of the merger, consolidation, or conversion. 2867

(4) The partner agreed that the creditor need not exhaust the 2868
assets of the surviving or resulting entity of the merger or 2869
consolidation or the entity resulting from the conversion. 2870

(B) A court grants permission to the judgment creditor to 2871
levy execution against the assets of the partner based on a 2872
finding that the assets of the surviving or resulting entity of 2873
the merger, consolidation, or conversion that are subject to 2874
execution are clearly insufficient to satisfy the judgment, that 2875
exhaustion of the assets of the surviving or resulting entity is 2876
excessively burdensome, or that the grant of permission is an 2877
appropriate exercise of the court's equitable powers. 2878

(C) Liability is imposed on the partner by law or contract 2879
independent of the existence of the surviving or resulting entity 2880
of the merger, consolidation, or conversion. 2881

Sec. 1776.81. (A) A partnership may become a limited 2882
liability partnership pursuant to this section. 2883

(B) Any terms and conditions by which a partnership becomes a 2884
limited liability partnership shall be approved by the vote 2885
necessary to amend the partnership agreement except when the 2886
partnership agreement expressly considers obligations to 2887
contribute to the partnership, in which case the required vote is 2888
the vote necessary to amend those provisions. 2889

(C) After the approval division (B) of this section requires, 2890
a partnership may become a limited liability partnership by filing 2891
with the secretary of state a statement of qualification. The 2892
statement shall contain all of the following: 2893

(1) The name of the partnership; 2894

(2) The street address of the partnership's chief executive 2895
office and, if the partnership's chief executive office is not in 2896
this state, the street address of any office in this state; 2897

(3) If the partnership does not have an office in this state, 2898
the name and street address of the partnership's agent for service 2899
of process; 2900

(4) A statement that the partnership elects to be a limited 2901
liability partnership; 2902

(5) Any deferred effective date. 2903

(D) The agent of a limited liability partnership for service 2904
of process shall be an individual who is a resident of this state 2905
or other person authorized to do business in this state. 2906

(E) The status of a partnership as a limited liability 2907

partnership is effective on the later of the filing of the 2908
statement or a date specified in the statement. The status remains 2909
effective, regardless of changes in the partnership, until it is 2910
canceled pursuant to division (D) of section 1776.05 of the 2911
Revised Code or revoked pursuant to section 1776.83 of the Revised 2912
Code. 2913

(F) The status of a partnership as a limited liability 2914
partnership and the liability of its partners is not affected by 2915
errors or later changes in the information required to be 2916
contained in the statement of qualification under division (C) of 2917
this section. 2918

(G) The filing of a statement of qualification establishes 2919
that a partnership has satisfied all conditions precedent to the 2920
qualification of the partnership as a limited liability 2921
partnership. 2922

(H) An amendment or cancellation of a statement of 2923
qualification is effective when it is filed or on a deferred 2924
effective date specified in the amendment or cancellation. 2925

(I) Notwithstanding any contrary provisions of this chapter, 2926
a domestic partnership having the status of a registered limited 2927
liability partnership under predecessor law has the status of a 2928
limited liability partnership under this chapter as of the date 2929
this chapter governs that partnership, which is on or after the 2930
first day of January, 2009, but not later than the first day of 2931
January, 2010. To the extent the partnership has not filed a 2932
statement of qualification pursuant to this section, the latest 2933
application or renewal application filed by that partnership under 2934
the predecessor law constitutes a statement of qualification under 2935
this section. 2936

Sec. 1776.82. The name of a limited liability partnership 2937
shall contain "registered limited liability partnership," 2938

"registered partnership having limited liability," "limited liability partnership," "R.L.L.P.," "P.L.L.," "L.L.P.," "RLLP," "PLL," or "LLP." 2939
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Sec. 1776.83. (A) A limited liability partnership and a foreign limited liability partnership authorized to transact business in this state shall file an annual report in the office of the secretary of state. The report shall contain all of the following: 2942
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(1) The name of the limited liability partnership and the state or other jurisdiction under whose laws the foreign limited liability partnership is formed; 2947
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(2) The street address of the partnership's chief executive office and, if the partnership's chief executive office is not in this state, the street address of any office of the partnership in this state; 2950
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(3) If the partnership does not have an office in this state, the name and street address of the partnership's current agent for service of process. 2954
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(B) A partnership shall file an annual report between the first day of January and the first day of April of each year that follows the calendar year in which the partnership files a statement of qualification or a foreign partnership becomes authorized to transact business in this state. 2957
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(C) The secretary of state may revoke the statement of qualification of any partnership that fails to file an annual report when due or pay the required filing fee. To revoke a statement, the secretary of state shall provide the partnership at least sixty days' written notice of the intent to revoke, mailed to the partnership at its chief executive office set forth in the last filed statement of qualification or annual report. The notice 2962
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shall specify the annual report that the partnership failed to 2969
file, the unpaid fee, and the effective date of the revocation. 2970
The revocation is not effective if the partnership files the 2971
annual report and pays the fee before the effective date of the 2972
revocation. 2973

(D) A revocation under division (C) of this section affects 2974
only a partnership's status as a limited liability partnership and 2975
is not an event of dissolution of the partnership. 2976

(E) A partnership whose statement of qualification is revoked 2977
may apply to the secretary of state for reinstatement within two 2978
years after the effective date of the revocation. The application 2979
for reinstatement shall state the name of the partnership, the 2980
effective date of the revocation, and that the ground for 2981
revocation either did not exist or has been corrected. 2982

(F) A reinstatement under division (E) of this section 2983
relates back to and takes effect as of the effective date of the 2984
revocation, and the partnership's status as a limited liability 2985
partnership continues as if the revocation had never occurred. 2986

Sec. 1776.84. (A) A limited liability partnership shall not 2987
make a distribution to a partner to the extent that at the time of 2988
the distribution and after giving effect to the distribution, all 2989
liabilities of the limited liability partnership exceed the fair 2990
value of the assets of the limited liability partnership, other 2991
than liabilities to partners on account of their economic 2992
interests and liabilities for which the recourse of creditors is 2993
limited to specified property. The fair value of property that is 2994
subject to a liability for which the recourse of creditors is 2995
limited shall be included in the assets of the limited liability 2996
partnership only to the extent that the fair value of that 2997
property exceeds that liability. For purposes of this section, the 2998
term "distribution" does not include amounts constituting 2999

reasonable compensation for present or past services or reasonable 3000
payments made in the ordinary course of business pursuant to a 3001
bona fide retirement plan or other benefits program. 3002

(B) A partner of a limited liability partnership who receives 3003
a distribution in violation of division (A) of this section is 3004
liable to the partnership for the amount of that distribution. 3005
This section does not affect any obligation or liability of a 3006
partner of a limited liability partnership under an agreement or 3007
other applicable law for the amount of a distribution. 3008

Sec. 1776.85. (A) The law under which a foreign limited 3009
liability partnership is formed governs relations among the 3010
partners and between the partners and the partnership and the 3011
liability of partners for obligations of the partnership. 3012

(B) A foreign limited liability partnership may not be denied 3013
a statement of foreign qualification by reason of any difference 3014
between the law under which the partnership was formed and the law 3015
of this state. 3016

(C) A statement of foreign qualification does not authorize a 3017
foreign limited liability partnership to engage in any business or 3018
exercise any power that a partnership may not engage in or 3019
exercise in this state as a limited liability partnership. 3020

Sec. 1776.86. (A) A foreign limited liability partnership 3021
shall file a statement of foreign qualification with the secretary 3022
of state prior to transacting any business in this state. The 3023
statement shall contain all of the following: 3024

(1) The name of the foreign limited liability partnership. 3025
The name shall satisfy the requirements of the state or other 3026
jurisdiction under whose law it is formed and shall end with 3027
"registered limited liability partnership," "limited liability 3028

partnership," "R.L.L.P.," "L.L.P.," "RLLP," or "LLP." 3029

(2) The street address of the partnership's chief executive office and, if the partnership's chief executive office is not in this state, the street address of any partnership office in this state; 3030
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(3) If there is no office of the partnership in this state, the name and street address of the partnership's agent for service of process; 3034
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(4) Any deferred effective date; 3037

(5) Evidence of existence in its jurisdiction of origin. 3038

(B) The agent of a foreign limited liability partnership for service of process shall be an individual who is a resident of this state or another person authorized to do business in this state. 3039
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(C) The status of a partnership as a foreign limited liability partnership is effective on the later of the filing of the statement of foreign qualification or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to division (D) of section 1776.05 of the Revised Code or revoked pursuant to section 1776.83 of the Revised Code. 3043
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(D) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation. 3050
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Sec. 1776.87. (A) A foreign limited liability partnership transacting business in this state may not maintain an action or proceeding in this state unless it has in effect a statement of foreign qualification. 3053
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(B) The failure of a foreign limited liability partnership to have a statement of foreign qualification that is in effect does 3057
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not impair the validity of any contract or act of that partnership 3059
or preclude it from defending an action or proceeding in this 3060
state. 3061

(C) A limitation on personal liability of a partner is not 3062
waived or otherwise affected by transacting business in this state 3063
without a statement of foreign qualification. 3064

(D) If a foreign limited liability partnership transacts 3065
business in this state without a statement of foreign 3066
qualification, the secretary of state is its agent for service of 3067
process with respect to a right of action arising out of the 3068
transaction of business in this state. 3069

Sec. 1776.88. (A) Activities of a foreign limited liability 3070
partnership that do not constitute transacting business for the 3071
purpose of section 1776.86 of the Revised Code include all of the 3072
following: 3073

(1) Maintaining, defending, or settling an action or 3074
proceeding; 3075

(2) Holding meetings of its partners or carrying on any other 3076
activity concerning its internal affairs; 3077

(3) Maintaining bank accounts; 3078

(4) Maintaining offices or agencies for the transfer, 3079
exchange, and registration of the partnership's own securities or 3080
maintaining trustees or depositories with respect to those 3081
securities; 3082

(5) Selling through independent contractors; 3083

(6) Soliciting or obtaining orders, whether by mail or 3084
through employees or agents or otherwise, if the orders require 3085
acceptance outside this state before they become contracts; 3086

(7) Creating or acquiring indebtedness, with or without a 3087

<u>mortgage or other security interest in property;</u>	3088
<u>(8) Collecting debts or foreclosing mortgages or other</u>	3089
<u>security interests in property securing the debts, and holding,</u>	3090
<u>protecting, and maintaining property so acquired;</u>	3091
<u>(9) Conducting an isolated transaction that is completed</u>	3092
<u>within thirty days and is not one in the course of similar</u>	3093
<u>transactions;</u>	3094
<u>(10) Transacting business in interstate commerce.</u>	3095
<u>(B) For purposes of section 1776.86 of the Revised Code, the</u>	3096
<u>ownership in this state of income-producing real property or</u>	3097
<u>tangible personal property, other than property excluded under</u>	3098
<u>division (A) of this section, constitutes transacting business in</u>	3099
<u>this state.</u>	3100
<u>(C) This section does not apply in determining the contacts</u>	3101
<u>or activities that may subject a foreign limited liability</u>	3102
<u>partnership to service of process, taxation, or regulation under</u>	3103
<u>any other law of this state.</u>	3104
<u>Sec. 1776.89. The attorney general may maintain an action to</u>	3105
<u>restrain a foreign limited liability partnership from transacting</u>	3106
<u>business in this state that is in violation of division (C) of</u>	3107
<u>section 1776.85 of the Revised Code.</u>	3108
<u>Sec. 1776.91. This chapter shall be applied and construed to</u>	3109
<u>effectuate the general purpose to make uniform the law with</u>	3110
<u>respect to the subject of this chapter among states enacting the</u>	3111
<u>uniform partnership act (1997) except where it expressly differs</u>	3112
<u>substantially from the uniform partnership act (1997).</u>	3113
<u>Sec. 1776.92. This chapter may be cited as the "Ohio Uniform</u>	3114
<u>Partnership Act (1997)."</u>	3115

Sec. 1776.95. (A) Prior to the first day of January, 2010, 3116
this chapter governs the following partnerships: 3117

(1) A partnership formed on or after the first day of 3118
January, 2009, except a partnership that is continuing the 3119
business of a dissolved partnership under section 1775.40 of the 3120
Revised Code; 3121

(2) A partnership formed before the first day of January, 3122
2009, that elects pursuant to division (C) of this section, to be 3123
governed by this chapter. 3124

(B) On and after the first day of January, 2010, this chapter 3125
governs all partnerships. 3126

(C)(1) On and after the first day of January, 2009, but prior 3127
to the first day of January, 2010, a partnership voluntarily may 3128
elect, in the manner provided in its partnership agreement or by 3129
law for amending the partnership agreement, to be governed by this 3130
chapter. 3131

(2) The provisions of this chapter relating to the liability 3132
of the partnership's partners to third parties apply to limit 3133
those partners' liability to a third party who did business with 3134
the partnership within one year before the partnership's election 3135
to be governed by this chapter only if the third party knows or 3136
has received a notification of the partnership's election to be 3137
governed by this chapter. 3138

Sec. 1776.96. This chapter does not affect any action or 3139
proceeding that commences, or any right that accrues, before the 3140
date the partnership is governed by this chapter as determined 3141
pursuant to section 1776.95 of the Revised Code. 3142

Sec. 1777.07. (A) This chapter does not govern any 3143
partnership on and after the first day of January, 2010. 3144

(B) This chapter does not govern any partnership that is 3145
formed on or after the first day of January, 2009. Chapter 1776. 3146
of the Revised Code governs any partnership formed on or after 3147
that date. 3148

(C) This chapter does not govern any partnership that elects 3149
to be governed by Chapter 1776. of the Revised Code pursuant to 3150
procedures in division (C) of section 1776.95 of the Revised Code, 3151
on and after the date the partnership elects to be governed by 3152
that chapter. 3153

Sec. 1779.12. (A) This chapter does not govern any 3154
partnership on and after the first day of January, 2010. 3155

(B) This chapter does not govern any partnership that is 3156
formed on or after the first day of January, 2009. Chapter 1776. 3157
of the Revised Code governs any partnership formed on or after 3158
that date. 3159

(C) This chapter does not govern any partnership that elects 3160
to be governed by Chapter 1776. of the Revised Code pursuant to 3161
procedures in division (C) of section 1776.95 of the Revised Code, 3162
on and after the date the partnership elects to be governed by 3163
that chapter. 3164

Sec. 1782.64. (A) A limited partnership may become a limited 3165
liability limited partnership by doing all of the following: 3166

(1) Obtaining approval of the terms and conditions of the 3167
limited partnership becoming a limited liability limited 3168
partnership by the vote necessary to amend the limited partnership 3169
agreement. When a limited partnership agreement expressly 3170
considers contribution obligations, the required vote is the vote 3171
necessary to amend those provisions. 3172

(2) Filing a statement of qualification under division (C) of 3173
section 1776.81 of the Revised Code; 3174

(3) Complying with the name requirements of section 1776.82 3175
of the Revised Code. 3176

(B) A limited liability limited partnership continues to be 3177
the same entity that existed before the filing of a statement of 3178
qualification under division (C) of section 1776.81 of the Revised 3179
Code. 3180

(C) Division (C) of section 1776.36 and division (B) of 3181
section 1776.37 of the Revised Code apply to both general and 3182
limited partners of a limited liability limited partnership. 3183

Sec. 2307.30. (A) A joint debtor may make a separate 3184
composition or compromise with any creditor. Any composition or 3185
compromise shall be a full and effectual discharge to the debtor 3186
who makes it, but only to that person, from all liability to the 3187
creditor with whom it is made, according to its terms. A debtor 3188
who makes such a composition or compromise may take from the 3189
creditor a note or memorandum in writing exonerating the debtor 3190
from all individual liability incurred by reason of the joint 3191
debt. That note or memorandum may be given in evidence to bar the 3192
creditor's right of recovery against the debtor. If joint 3193
liability is by judgment in a court of record in this state, on 3194
production to and filing of the note or memorandum with the clerk 3195
of the court, the clerk shall discharge the judgment of record as 3196
far as the compromising debtor is concerned. 3197

(B) A compromise or composition with one joint debtor shall 3198
not discharge other joint debtors or impair the right of the 3199
creditor to proceed against other joint debtors who have not been 3200
discharged. A joint debtor who is proceeded against may 3201
counterclaim against the creditor for any demand that could have 3202
been asserted as a counterclaim had the suit by the creditor been 3203
brought against all of the joint debtors. 3204

(C) A compromise or discharge of one joint debtor does not 3205

prevent the other joint debtors from availing themselves of any 3206
defense, except that they shall not set up the discharge of one 3207
debtor as a discharge of the others unless it appears that all 3208
were intended to be discharged. The discharge of one debtor is 3209
deemed a payment to the creditor equal to the proportionate 3210
liability of the discharged debtor. 3211

(D) A compromise or composition by a joint debtor with a 3212
creditor does not affect any right the other joint debtors have to 3213
call on the discharged debtor for that person's ratable portion of 3214
the joint debt. 3215

Sec. 2329.66. (A) Every person who is domiciled in this state 3216
may hold property exempt from execution, garnishment, attachment, 3217
or sale to satisfy a judgment or order, as follows: 3218

(1)(a) In the case of a judgment or order regarding money 3219
owed for health care services rendered or health care supplies 3220
provided to the person or a dependent of the person, one parcel or 3221
item of real or personal property that the person or a dependent 3222
of the person uses as a residence. Division (A)(1)(a) of this 3223
section does not preclude, affect, or invalidate the creation 3224
under this chapter of a judgment lien upon the exempted property 3225
but only delays the enforcement of the lien until the property is 3226
sold or otherwise transferred by the owner or in accordance with 3227
other applicable laws to a person or entity other than the 3228
surviving spouse or surviving minor children of the judgment 3229
debtor. Every person who is domiciled in this state may hold 3230
exempt from a judgment lien created pursuant to division (A)(1)(a) 3231
of this section the person's interest, not to exceed five thousand 3232
dollars, in the exempted property. 3233

(b) In the case of all other judgments and orders, the 3234
person's interest, not to exceed five thousand dollars, in one 3235
parcel or item of real or personal property that the person or a 3236

dependent of the person uses as a residence.	3237
(2) The person's interest, not to exceed one thousand dollars, in one motor vehicle;	3238 3239
(3) The person's interest, not to exceed two hundred dollars in any particular item, in wearing apparel, beds, and bedding, and the person's interest, not to exceed three hundred dollars in each item, in one cooking unit and one refrigerator or other food preservation unit;	3240 3241 3242 3243 3244
(4)(a) The person's interest, not to exceed four hundred dollars, in cash on hand, money due and payable, money to become due within ninety days, tax refunds, and money on deposit with a bank, savings and loan association, credit union, public utility, landlord, or other person. Division (A)(4)(a) of this section applies only in bankruptcy proceedings. This exemption may include the portion of personal earnings that is not exempt under division (A)(13) of this section.	3245 3246 3247 3248 3249 3250 3251 3252
(b) Subject to division (A)(4)(d) of this section, the person's interest, not to exceed two hundred dollars in any particular item, in household furnishings, household goods, appliances, books, animals, crops, musical instruments, firearms, and hunting and fishing equipment, that are held primarily for the personal, family, or household use of the person;	3253 3254 3255 3256 3257 3258
(c) Subject to division (A)(4)(d) of this section, the person's interest in one or more items of jewelry, not to exceed four hundred dollars in one item of jewelry and not to exceed two hundred dollars in every other item of jewelry;	3259 3260 3261 3262
(d) Divisions (A)(4)(b) and (c) of this section do not include items of personal property listed in division (A)(3) of this section.	3263 3264 3265
If the person does not claim an exemption under division (A)(1) of this section, the total exemption claimed under division	3266 3267

(A)(4)(b) of this section shall be added to the total exemption 3268
claimed under division (A)(4)(c) of this section, and the total 3269
shall not exceed two thousand dollars. If the person claims an 3270
exemption under division (A)(1) of this section, the total 3271
exemption claimed under division (A)(4)(b) of this section shall 3272
be added to the total exemption claimed under division (A)(4)(c) 3273
of this section, and the total shall not exceed one thousand five 3274
hundred dollars. 3275

(5) The person's interest, not to exceed an aggregate of 3276
seven hundred fifty dollars, in all implements, professional 3277
books, or tools of the person's profession, trade, or business, 3278
including agriculture; 3279

(6)(a) The person's interest in a beneficiary fund set apart, 3280
appropriated, or paid by a benevolent association or society, as 3281
exempted by section 2329.63 of the Revised Code; 3282

(b) The person's interest in contracts of life or endowment 3283
insurance or annuities, as exempted by section 3911.10 of the 3284
Revised Code; 3285

(c) The person's interest in a policy of group insurance or 3286
the proceeds of a policy of group insurance, as exempted by 3287
section 3917.05 of the Revised Code; 3288

(d) The person's interest in money, benefits, charity, 3289
relief, or aid to be paid, provided, or rendered by a fraternal 3290
benefit society, as exempted by section 3921.18 of the Revised 3291
Code; 3292

(e) The person's interest in the portion of benefits under 3293
policies of sickness and accident insurance and in lump sum 3294
payments for dismemberment and other losses insured under those 3295
policies, as exempted by section 3923.19 of the Revised Code. 3296

(7) The person's professionally prescribed or medically 3297
necessary health aids; 3298

(8) The person's interest in a burial lot, including, but not limited to, exemptions under section 517.09 or 1721.07 of the Revised Code;	3299 3300 3301
(9) The person's interest in the following:	3302
(a) Moneys paid or payable for living maintenance or rights, as exempted by section 3304.19 of the Revised Code;	3303 3304
(b) Workers' compensation, as exempted by section 4123.67 of the Revised Code;	3305 3306
(c) Unemployment compensation benefits, as exempted by section 4141.32 of the Revised Code;	3307 3308
(d) Cash assistance payments under the Ohio works first program, as exempted by section 5107.75 of the Revised Code;	3309 3310
(e) Benefits and services under the prevention, retention, and contingency program, as exempted by section 5108.08 of the Revised Code;	3311 3312 3313
(f) Disability financial assistance payments, as exempted by section 5115.06 of the Revised Code.	3314 3315
(10)(a) Except in cases in which the person was convicted of or pleaded guilty to a violation of section 2921.41 of the Revised Code and in which an order for the withholding of restitution from payments was issued under division (C)(2)(b) of that section or in cases in which an order for withholding was issued under section 2907.15 of the Revised Code, and only to the extent provided in the order, and except as provided in sections 3105.171, 3105.63, 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right to a pension, benefit, annuity, retirement allowance, or accumulated contributions, the person's right to a participant account in any deferred compensation program offered by the Ohio public employees deferred compensation board, a government unit, or a municipal corporation, or the	3316 3317 3318 3319 3320 3321 3322 3323 3324 3325 3326 3327 3328

person's other accrued or accruing rights, as exempted by section 3329
145.56, 146.13, 148.09, 742.47, 3307.41, 3309.66, or 5505.22 of 3330
the Revised Code, and the person's right to benefits from the Ohio 3331
public safety officers death benefit fund; 3332

(b) Except as provided in sections 3119.80, 3119.81, 3121.02, 3333
3121.03, and 3123.06 of the Revised Code, the person's right to 3334
receive a payment under any pension, annuity, or similar plan or 3335
contract, not including a payment from a stock bonus or 3336
profit-sharing plan or a payment included in division (A)(6)(b) or 3337
(10)(a) of this section, on account of illness, disability, death, 3338
age, or length of service, to the extent reasonably necessary for 3339
the support of the person and any of the person's dependents, 3340
except if all the following apply: 3341

(i) The plan or contract was established by or under the 3342
auspices of an insider that employed the person at the time the 3343
person's rights under the plan or contract arose. 3344

(ii) The payment is on account of age or length of service. 3345

(iii) The plan or contract is not qualified under the 3346
"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as 3347
amended. 3348

(c) Except for any portion of the assets that were deposited 3349
for the purpose of evading the payment of any debt and except as 3350
provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3351
3123.06 of the Revised Code, the person's right in the assets held 3352
in, or to receive any payment under, any individual retirement 3353
account, individual retirement annuity, "Roth IRA," or education 3354
individual retirement account that provides benefits by reason of 3355
illness, disability, death, or age, to the extent that the assets, 3356
payments, or benefits described in division (A)(10)(c) of this 3357
section are attributable to any of the following: 3358

(i) Contributions of the person that were less than or equal 3359

to the applicable limits on deductible contributions to an individual retirement account or individual retirement annuity in the year that the contributions were made, whether or not the person was eligible to deduct the contributions on the person's federal tax return for the year in which the contributions were made;

(ii) Contributions of the person that were less than or equal to the applicable limits on contributions to a Roth IRA or education individual retirement account in the year that the contributions were made;

(iii) Contributions of the person that are within the applicable limits on rollover contributions under subsections 219, 402(c), 403(a)(4), 403(b)(8), 408(b), 408(d)(3), 408A(c)(3)(B), 408A(d)(3), and 530(d)(5) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(d) Except for any portion of the assets that were deposited for the purpose of evading the payment of any debt and except as provided in sections 3119.80, 3119.81, 3121.02, 3121.03, and 3123.06 of the Revised Code, the person's right in the assets held in, or to receive any payment under, any Keogh or "H.R. 10" plan that provides benefits by reason of illness, disability, death, or age, to the extent reasonably necessary for the support of the person and any of the person's dependents.

(11) The person's right to receive spousal support, child support, an allowance, or other maintenance to the extent reasonably necessary for the support of the person and any of the person's dependents;

(12) The person's right to receive, or moneys received during the preceding twelve calendar months from, any of the following:

(a) An award of reparations under sections 2743.51 to 2743.72 of the Revised Code, to the extent exempted by division (D) of

section 2743.66 of the Revised Code; 3391

(b) A payment on account of the wrongful death of an 3392
individual of whom the person was a dependent on the date of the 3393
individual's death, to the extent reasonably necessary for the 3394
support of the person and any of the person's dependents; 3395

(c) Except in cases in which the person who receives the 3396
payment is an inmate, as defined in section 2969.21 of the Revised 3397
Code, and in which the payment resulted from a civil action or 3398
appeal against a government entity or employee, as defined in 3399
section 2969.21 of the Revised Code, a payment, not to exceed five 3400
thousand dollars, on account of personal bodily injury, not 3401
including pain and suffering or compensation for actual pecuniary 3402
loss, of the person or an individual for whom the person is a 3403
dependent; 3404

(d) A payment in compensation for loss of future earnings of 3405
the person or an individual of whom the person is or was a 3406
dependent, to the extent reasonably necessary for the support of 3407
the debtor and any of the debtor's dependents. 3408

(13) Except as provided in sections 3119.80, 3119.81, 3409
3121.02, 3121.03, and 3123.06 of the Revised Code, personal 3410
earnings of the person owed to the person for services in an 3411
amount equal to the greater of the following amounts: 3412

(a) If paid weekly, thirty times the current federal minimum 3413
hourly wage; if paid biweekly, sixty times the current federal 3414
minimum hourly wage; if paid semimonthly, sixty-five times the 3415
current federal minimum hourly wage; or if paid monthly, one 3416
hundred thirty times the current federal minimum hourly wage that 3417
is in effect at the time the earnings are payable, as prescribed 3418
by the "Fair Labor Standards Act of 1938," 52 Stat. 1060, 29 3419
U.S.C. 206(a)(1), as amended; 3420

(b) Seventy-five per cent of the disposable earnings owed to 3421

the person.	3422
(14) The person's right in specific partnership property, as	3423
exempted by division (B)(3) of section 1775.24 of the Revised Code	3424
<u>or the person's rights in a partnership pursuant to section</u>	3425
<u>1776.50 of the Revised Code, except as otherwise set forth in</u>	3426
<u>section 1776.50 of the Revised Code;</u>	3427
(15) A seal and official register of a notary public, as	3428
exempted by section 147.04 of the Revised Code;	3429
(16) The person's interest in a tuition unit or a payment	3430
under section 3334.09 of the Revised Code pursuant to a tuition	3431
payment contract, as exempted by section 3334.15 of the Revised	3432
Code;	3433
(17) Any other property that is specifically exempted from	3434
execution, attachment, garnishment, or sale by federal statutes	3435
other than the "Bankruptcy Reform Act of 1978," 92 Stat. 2549, 11	3436
U.S.C.A. 101, as amended;	3437
(18) The person's interest, not to exceed four hundred	3438
dollars, in any property, except that division (A)(18) of this	3439
section applies only in bankruptcy proceedings.	3440
(B) As used in this section:	3441
(1) "Disposable earnings" means net earnings after the	3442
garnishee has made deductions required by law, excluding the	3443
deductions ordered pursuant to section 3119.80, 3119.81, 3121.02,	3444
3121.03, or 3123.06 of the Revised Code.	3445
(2) "Insider" means:	3446
(a) If the person who claims an exemption is an individual, a	3447
relative of the individual, a relative of a general partner of the	3448
individual, a partnership in which the individual is a general	3449
partner, a general partner of the individual, or a corporation of	3450
which the individual is a director, officer, or in control;	3451

(b) If the person who claims an exemption is a corporation, a director or officer of the corporation; a person in control of the corporation; a partnership in which the corporation is a general partner; a general partner of the corporation; or a relative of a general partner, director, officer, or person in control of the corporation;

(c) If the person who claims an exemption is a partnership, a general partner in the partnership; a general partner of the partnership; a person in control of the partnership; a partnership in which the partnership is a general partner; or a relative in, a general partner of, or a person in control of the partnership;

(d) An entity or person to which or whom any of the following applies:

(i) The entity directly or indirectly owns, controls, or holds with power to vote, twenty per cent or more of the outstanding voting securities of the person who claims an exemption, unless the entity holds the securities in a fiduciary or agency capacity without sole discretionary power to vote the securities or holds the securities solely to secure to debt and the entity has not in fact exercised the power to vote.

(ii) The entity is a corporation, twenty per cent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the person who claims an exemption or by an entity to which division (B)(2)(d)(i) of this section applies.

(iii) A person whose business is operated under a lease or operating agreement by the person who claims an exemption, or a person substantially all of whose business is operated under an operating agreement with the person who claims an exemption.

(iv) The entity operates the business or all or substantially all of the property of the person who claims an exemption under a

lease or operating agreement.	3483
(e) An insider, as otherwise defined in this section, of a person or entity to which division (B)(2)(d)(i), (ii), (iii), or (iv) of this section applies, as if the person or entity were a person who claims an exemption;	3484 3485 3486 3487
(f) A managing agent of the person who claims an exemption.	3488
(3) "Participant account" has the same meaning as in section 148.01 of the Revised Code.	3489 3490
(4) "Government unit" has the same meaning as in section 148.06 of the Revised Code.	3491 3492
(C) For purposes of this section, "interest" shall be determined as follows:	3493 3494
(1) In bankruptcy proceedings, as of the date a petition is filed with the bankruptcy court commencing a case under Title 11 of the United States Code;	3495 3496 3497
(2) In all cases other than bankruptcy proceedings, as of the date of an appraisal, if necessary under section 2329.68 of the Revised Code, or the issuance of a writ of execution.	3498 3499 3500
An interest, as determined under division (C)(1) or (2) of this section, shall not include the amount of any lien otherwise valid pursuant to section 2329.661 of the Revised Code.	3501 3502 3503
Section 2. That existing sections 111.16, 1329.01, 1329.04, and 2329.66 of the Revised Code are hereby repealed.	3504 3505