

Comments to Draft DC Business Organizations Code

Received by the Ad Hoc Drafting Group

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Number	Date Submitted	Commenter
1	11/13/2008	Roy L. Kaufmann, Esq. Of Counsel Jackson & Campbell, P.C. Phone: (202) 457-6710 FAX: (202) 318-0216 Email: RKaufmann@jackscamp.com 1120 20th St NW #S-300 Washington, DC 20036 Web: www.jackscamp.com
2	6/2/2009	James M. Goldberg Goldberg & Associates, PLLC 1776 K Street, N.W., Suite 800 Washington, DC 20006-2333
3	6/17/2009	Statement by members of the ad hoc committee on the need for the DC Business Organizations Code

Subchapter 4. Registered Agent

§ 29-104.01. Definitions.

In this subchapter:

- (1) “Appointment of agent” means a statement appointing an agent for service of process filed by a nonqualified foreign entity or domestic nonfiling entity under § 29-104.11.
- (2) “Commercial registered agent” means an individual listed under § 29-104.05.
- (3) “Noncommercial registered agent” means a person that is not listed as a commercial registered agent under § 29-104.05 and is:
 - (A) an individual or domestic or foreign entity that serves in the District as the agent for service of process of an entity; or
 - (B) an individual who holds the office or other position in an entity that is designated as the agent for service of process pursuant to § 29-104.04(a)(2)(B).
- (4) “Nonqualified foreign entity” means a foreign entity that is not a qualified foreign entity.
- (5) “Nonresident limited liability partnership statement” means:
 - (A) a statement of qualification of a domestic limited liability partnership that does not have an office in the District; or
 - (B) a statement of foreign qualification of a foreign limited liability partnership that does not have an office in the District.
- (6) “Registered agent filing” means:
 - (A) the public organic record of a domestic filing entity;
 - (B) a nonresident limited liability partnership statement;
 - (C) a registration statement filed pursuant to § 29-105.03; or
 - (D) an appointment of a registered agent.
- (7) “Represented entity” means:
 - (A) a domestic filing entity;
 - (B) a domestic or qualified foreign limited liability partnership *** RLK: why are we naming LLP here? *****this is supposed to be the hub, right?* that does not have an office in the District;
 - (C) a qualified foreign entity;
 - (D) a domestic or foreign unincorporated nonprofit association for which an appointment of an agent has been filed;
 - (E) a domestic nonfiling **RLK is this a defined term?***** entity for which an appointment of an agent has been filed; or
 - (F) a nonqualified foreign entity for which an appointment of an agent has been filed.

§29-104.02. Entities required to designate and maintain registered agent.

Each domestic limited liability partnership **** RLK note to Corp Section: why is this “hub” provision referring to a specific type of entity? *****domestic limited liability partnership that does not maintain a place of business in the District, domestic filing entity, or qualified foreign entity, or shall designate and continuously maintain a registered agent in the District.

§ 29-104.03. Addresses in filings.

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If a provision of this title other than § 29-104.10(a)(4) requires that a filing state an address, the filing must state:

- (1) a street address in the District; and
- (2) a mailing address in the District, if different from the address described in paragraph (1).

§ 29-104.04. Appointment of registered agent.

(a) A registered agent filing must state:

- (1) the name of the represented entity's commercial registered agent; or
- (2) if the entity does not have a commercial registered agent:
 - (A) the name and address of the entity's noncommercial registered agent; or

(B) ****** RLK: why are we allowing an alternative to a registered agent? Isn't that defeating the purpose of this part of the legislation?** the title of an office or other position with the entity if service of process is to be sent to the person holding that office or position, and the address of the business office of that person.

(b) The appointment of a registered agent pursuant to subsection (a)(1) or (2)(A) is an affirmation by the represented entity that the agent has consented to serve. This consent shall be evidenced by a written document executed by the registered agent, which execution may be by facsimile signature, which shall be filed with the Mayor.

(c) ***** RLK As to this section, the current practice is computerization. Maybe not saddle the corporations office with a new task??????** The Mayor shall make available in a record as soon as practicable a daily list of filings that contain the name of a registered agent. The list must:

- (1) be available for at least 14 calendar days;
- (2) list in alphabetical order the names of the registered agents; and
- (3) state the type of filing and name of the represented entity making the filing.

§ 29-104.05. Listing of commercial registered agent.

(a) An individual or entity may become listed as a commercial registered agent by filing with the Mayor a commercial-registered-agent listing statement signed by or on behalf of the individual or entity which states: ***** RLK Since this is a full overhaul, I want to make sure that this filing substitutes for the requirement that the Arts of Inc of a commercial reg. agent authorize such a function.**

- (1) the name of the individual or the name, type, and jurisdiction of organization of the entity;
- (2) that the individual or entity is in the business of serving as a commercial registered agent in the District; and
- (3) the address of a place of business of the individual or entity in the District to which service of process and other notice and documents being served on or sent to entities represented by the individual or entity may be delivered.

(b) A commercial-registered-agent listing statement may include the information regarding acceptance of service of process in a form other than a written record by the agent as provided for in § 29-104.12(d). ****** I am not sure why we need "b" or what it is referring to.**

(c) If the name of an individual or entity filing a commercial-registered-agent listing statement is not distinguishable on the records of the Mayor from the name of another commercial registered agent listed under this section, the person shall adopt a fictitious name that is distinguishable and use that name in its statement and when it does business in the District as a commercial registered agent.

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*** RLK why would this be necessary? Doesn't the Act provide, elsewhere, that confusingly similar names would not be accepted by the Mayor at the time of initial filing?

(d) A listing statement takes effect on filing by the Mayor.

(e) The Mayor shall note the filing of the commercial registered agent listing statement in the index of filings maintained by the Mayor for each entity represented by the agent at the time of the filing. The statement has the effect of deleting the address of the agent from the filing of each of those entities.

§ 29-104.06. Termination of listing of commercial registered agent.

(a) A commercial registered agent may terminate its listing as a commercial registered agent by delivering to the Mayor for filing a commercial-registered-agent termination statement signed by or on behalf of the agent which states:

(1) the name of the agent as currently listed under § 29-104.05; and

(2) that the agent is no longer in the business of serving as a commercial registered agent in the District.

(b) A commercial registered agent termination statement takes effect at 12:01 am on the 31st day after the day on which it is filed.

(c) The commercial registered agent promptly shall furnish each entity represented by the agent with notice in a record of the filing of the commercial-registered-agent termination statement.

(d) When a commercial-registered-agent termination statement takes effect, the commercial registered agent ceases to be an agent for service of process on each entity formerly represented by it. Until an entity formerly represented by a terminated commercial registered agent appoints a new registered agent, service of process may be made on the entity pursuant to §

§ 29-104.12. Termination of the listing of a commercial registered agent under this section does not affect any contractual rights a represented entity has against the agent or that the agent has against the entity.

§ 29-104.07. Change of registered agent by entity.

(a) A represented entity may change the information on file under § 29-104.04(a) by delivering to the Mayor for filing a statement of change signed on behalf of the entity which states:

(1) the name of the entity; and

(2) The address, including street and number, if any, of its then registered office;

(3) If the address of its registered office is changed, the address, including the street and number, if any, to which the registered office is to be changed;

(4) The name of its then registered agent;

(5) If its registered agent is changed, the name of its successor registered agent and a written statement executed by the successor registered agent consenting to be named as the entity's registered agent.

(6) That the address of its registered office and the address of the business office of its registered agent as changed, will be identical; and

(7) That such a change was authorized and duly adopted by its board of directors, members, trustees, or otherwise as the case may be.

(b) The interest holders or governors of a domestic entity need not approve the filing of:

(1) a statement of change under this section; ***** RLK note the departure from existing law (set forth as redline above, starting on line 33; will the shareholders/directors of a small company be**

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34 of change.

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vulnerable if the president alone changes the reg agent secretly to avoid them knowing about a lawsuit?
****; or

(2) a similar filing changing the registered agent or registered office of the entity in any other jurisdiction.

(c) The appointment of a registered agent pursuant to subsection (a) is an affirmation by the represented entity that the agent has consented to serve. *** RLK again, not change from existing law. I think the current law (which requires consent by reg agent is preferable. Otherwise a res agent can be appointed, unbeknownst to him, and be saddled with figuring out what to do with pleadings when he is served.

(d) A statement of change under this section takes effect on delivery to the Mayor for filing.

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(e) As an alternative to using the procedures in this section, a represented entity may change the information on file under § 29-104.04(a) by amending its most recent registered agent filing in the manner provided by the laws of the District other than this title for amending that filing.
RLK **** why is "e" necessary?

§ 29-104.08. Change of name or address by noncommercial registered agent.

(a) If a noncommercial registered agent changes its name or its address as currently in effect with respect to a represented entity pursuant to § 29-104.04(a), the agent shall deliver to the Mayor for filing, with respect to each entity represented by the agent, a statement of change signed by or on behalf of the agent which states:

- (1) the name of the entity;
- (2) the name and address of the agent;
- (3) if the name of the agent has changed, its new name; and
- (4) if the address of the agent has changed, the new address.

(c) A noncommercial registered agent shall promptly furnish the represented entity with notice in a record of the filing of a statement of change and the changes made by the filing.

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Deleted: (b) A statement of change under this section takes effect on delivery to the Mayor for filing.¶

§ 29-104.09. Change of name, address, or type of organization by commercial registered agent.

(a) If a commercial registered agent changes its name, its address as listed under § 29-104.05(a), or its type or jurisdiction of organization, the agent shall deliver to the Mayor for filing a statement of change signed by or on behalf of the agent which states:

- (1) the name of the agent as listed under § 29-104.05(a);
- (2) if the name of the agent has changed, its new name;
- (3) if the address of the agent has changed, the new address; and
- (4) if the type or jurisdiction of organization of the agent has changed, the new type or jurisdiction of organization.

(b) A commercial registered agent's filing of a statement of change under subsection (a) is effective to change the information regarding the agent with respect to each entity represented by the agent.

(c) A statement of change under this section takes effect on delivery to the Mayor for filing.

(d) A commercial registered agent promptly shall furnish each entity represented by it notice in a record of the filing of a statement of change relating to the name or address of the agent and the changes made by the filing.

(e) If a commercial registered agent changes its address without filing a statement of change as

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required by this section, the Mayor may cancel the listing of the agent under § 29-40 104.05. A cancellation under this subsection has the same effect as a termination under § 29-104.06. Promptly after canceling the listing of an agent, the Mayor shall serve notice in a record in the manner provided in § 29-104.12(b) or (c) on:

- (1) each entity represented by the agent, stating that the agent has ceased to be an agent for service of process on the entity and that, until the entity appoints a new registered agent, service of process may be made on the entity as provided in § 29-104.12; and
- (2) the agent, stating that the listing of the agent has been canceled under this section.

§ 29-104.10. Resignation of registered agent.

(a) A registered agent may resign as agent for a represented entity by delivering to the Mayor for filing a statement of resignation signed by or on behalf of the agent which states:

- (1) the name of the entity;
- (2) the name of the agent;
- (3) that the agent resigns from serving as agent for service of process for the entity; and
- (4) the name and address of the person to which the agent will send the notice required by subsection (c).

(b) A statement of resignation takes effect .on the earlier of the 31st day after the day on 18 which it is filed or the appointment of a new registered agent for the represented entity. **No fee or charge of any kind shall be imposed with respect to a filing under this sub??section**

(c) A registered agent promptly shall furnish the represented entity notice in a record of the date on which a statement of resignation was filed.

(d) When a statement of resignation takes effect, the registered agent ceases to have responsibility for any matter tendered to it as agent for the represented entity. The resignation does not affect any contractual rights the entity has against the agent or that the agent has against the entity.

(e) A registered agent may resign with respect to a represented entity whether or not the entity is in good standing.

§ 29-104.11. Appointment of registered agent by nonqualified foreign entity or nonfiling domestic entity.

(a) A nonqualified foreign entity or a domestic nonfiling entity may deliver to the Mayor for filing a statement appointing an agent for service of process signed on behalf of the entity which states:

- (1) the name, type, and jurisdiction of organization of the entity; and
- (2) the information required by § 29-104.04(a).

(b) A statement appointing an agent for service of process takes effect on filing by the Mayor and is effective for five years ***** RLK, why not delete the 5-year provision? Why not until resignation or revocation?** after the date of filing unless canceled earlier.

(c) Appointment of a registered agent under this section does not qualify a nonqualified foreign entity to do business in the District and is not sufficient alone to create personal jurisdiction over the nonqualified foreign entity in the District.

(d) A statement appointing an agent for service of process may not be rejected for filing because the name of the entity filing the statement is not distinguishable on the records of the Mayor from the name of another entity appearing in those records. The filing of such a statement does not make the name of the entity filing the statement unavailable for use by another entity.

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(e) An entity that has filed a statement appointing an agent for service of process may cancel the statement by delivering to the Mayor for filing a statement of cancellation that states the name of the entity and that the entity is canceling its appointment of an agent for service of process in the District. The statement takes effect on filing by the Mayor.

(f) A statement appointing an agent for service of process for a nonqualified foreign entity terminates on the date the entity becomes a qualified foreign entity.

§ 29-104.12. Service of process on entity.

(a) A registered agent is an agent of the represented entity authorized to receive service of any process, notice, or demand required or permitted by law to be served on the entity.

(b) If an entity that previously filed a registered agent filing with the Mayor no longer has a registered agent, or if its registered agent cannot with reasonable diligence*** RLK, this is a very serious change. Under current law, if the registered agent is not available, then you can serve alternately (i.e. upon the Mayor). If the registered agent's purpose is to be available, why require a plaintiff to exercise "due diligence"? Who would determine whether "due diligence" has been satisfied? For example, the court, in tax sale cases, has been requiring very, very extensive searching for defendants as part of due diligence. My thought would be to define due diligence as two efforts at delivering to the registered agent at the address he has listed, be served, *** RLK: a very major change***** you have eliminated the Mayor as substitute agent for service of process if the registered agent is not available. Instead, you can leave the docs with a low-level manager at a McDonald's restaurant and that is good service??? Probably not a good idea. *** since the Corp office is already set up to accept service of process, I suggest you leave it the way it is and, perhaps, include a requirement to send a courtesy copy to the "governors" (see deleted language). the Mayor shall be an agent of the entity upon whom any process against the entity may be served and upon whom any notice or demand required or permitted by law to be served upon the entity may be served. Service on the Mayor of any such process, notice, or demand shall be made by delivering to and leaving with the Mayor, or with any clerk having charge of the Mayor's office, duplicate copies of the process, notice, or demand and a fee in an amount set forth by the Mayor. If any process, notice, or demand is so served, the Mayor shall immediately cause one of the copies to be forwarded by regular mail to the entity at its principal office or at its last known address.

(c) Service of process, notice, or demand on a registered agent must be written record *** RLK grammar? What does "written record" mean or what is it supposed to do? except that service may be made on a commercial registered agent in other forms ***RLK why would "other forms" be acceptable?, and subject to such requirements *** RLK why would a commercial agent be permitted to establish special requirements? ***** , as the agent has stated in its listing under § 29-104.05 that it will accept.

(d) Service of process, notice, or demand may be perfected by any other means permitted by law other than this title.

§ 29-104.13. Duties of registered agent.

The duties of a registered agent are:

(1) to forward to the represented entity at the address most recently supplied to the agent by the entity any process, notice, or demand that is served on the agent;

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(2) to provide the notices required by this title to the entity at the address most recently supplied to the agent by the entity; *** RLK, what is the difference between this and the preceding subsection?;

(3) if the agent is a noncommercial registered agent, to keep current the information required by § 29-104.04(a) in the most recent registered agent filing for the entity; and

(4) if the agent is a commercial registered agent, to keep current the information listed for it under § 29-104.05(a).

§ 29-104.14. Penalties.

(a) Any entity which fails or refuses to maintain a registered office or a registered agent in the District of Columbia, in accordance with the provisions of this chapter, shall be subject to a civil fine not to exceed \$500. Provided, however that this subsection shall not apply if a replacement registered agent is appointed within 30 days of the resignation or withdrawal of registered agent.

(b) A court may order the involuntary dissolution of any entity, place an entity in receivership, or grant other injunctive or equitable relief with respect to any entity, in an action brought by the Attorney General in the name of the District of Columbia when the court finds by a preponderance of the evidence that:

(1) The entity has failed for 30 days to appoint and maintain a registered agent as provided in this subchapter; or

(2) The entity has failed for 30 days after a change of its registered office or registered agent to deliver to the Mayor a statement of such change.

(c) At least 30 days before any action based on subsection (b) of this section shall be filed against a corporation by the Attorney General, he shall notify the entity by certified or registered mail addressed to such corporation at its registered office a notice of his intention to file such suit and the reason therefore. If, before an action is filed, the entity as the case may be shall submit satisfactory evidence that said entity was not procured through fraud or that the corporation has not exceeded or abused such authority or shall appoint or maintain a registered agent as provided in this subchapter, or deliver to the Mayor the required statement of change of registered agent, the Attorney General shall not file an action against such entity for such cause. If, after action is filed, for a reason stated in paragraph (3) or (4) of subsection (b) of this section, the corporation shall as the case may be appoint or maintain a registered agent as provided in this subchapter, or shall deliver to the Mayor the required statement of change of registered agent, and shall pay the costs of such action, the action for such cause shall abate.

§ 29-104.15. Jurisdiction.

The appointment or maintenance in the District of a registered agent does not by itself create the basis for personal jurisdiction over the represented entity in the District.

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To: Ad Hoc Drafting Committee for the DC Business Organizations Code
From: James M. Goldberg
Goldberg & Associates, PLLC
1776 K Street, N.W., Suite 800
Washington, DC 20006-2333
Date: June 2, 2009
Re: Comments on Final Draft

Dear John:

As I have previously indicated, the nonprofit code working group which I chaired (and which included nonprofit practitioners and representatives of the nonprofit community operating in DC), strongly opposes inclusion of the ABA Model Nonprofit Corporation Act in any revision of the DC business code and instead supports inclusion of a revised version of the existing DC Nonprofit Corporation Act, which we have drafted.

Our reasons are many, including the fact that the ABA Model Act is the product of only one Task Force of one Committee of one Section of the ABA. It has not been vetted by the full ABA and indeed is opposed by many nonprofit practitioners in other ABA sections.

Specifically, we would also note:

1. The Model Act would eliminate liability for nonprofit corporation directors without the same insurance conditions as contained in DC law -- a provision which is virtually certain to be opposed by the trial bar -- and would apparently not allow director liability elimination for directors of charitable corporations.
2. The Model Act makes distinctions between religious corporations, charitable corporations and other types of nonprofit organizations which we believe are inappropriate.
3. The Model Act would impose individual liability on organization members if a judgment against the corporation is unsatisfied, an entirely new concept which could chill nonprofit membership.
4. The Model Act would, by its terms, subject all existing corporations and qualified foreign corporations to its terms, a concept doing harm to the approximately 10,000 corporations which were chartered by Congress or incorporated by the District before 1962.

These views represent not only the consensus of our group of nonprofit practitioners, but also representatives of major nonprofit groups, which have indicated they would actively lobby for the defeat of a Model Nonprofit Corporation Act in the District of Columbia.

Sincerely,

/s/ Jim Goldberg

DISTRICT OF COLUMBIA BUSINESS ORGANIZATIONS CODE

COMMENTS FROM THE AD HOC COMMITTEE – 6/17/09

This summarizes the weaknesses in the District's current business organizations statutes and explains why the proposed D.C. Business Organizations Code is needed to meet the challenges of the 21st Century. In short, current District law is out of date, incomplete, and unorganized and does not provide an adequate legal framework for modern businesses. This has discouraged businesses from forming in the District, with an adverse impact on the District's economy. The D.C. Business Organizations Code is up to date, comprehensive, efficiently organized, and easily maintainable and provides rules attuned to modern business practices and requirements. Its enactment would encourage businesses to form, and remain, in the District and would help make the District a national business center.

- **Weaknesses in Current District Law**

- **Out of date**

The District's business entity laws are severely out of date. The corporation laws are based on statutes enacted by Congress between 1870 and 1971. The District effectively has missed out on every single innovation and modern practice in corporation law since before Home Rule, including in such important areas as corporate finance, director and officer liability, and rights of shareholders. The laws governing unincorporated entities, with the sole exception of partnerships, are also badly out of date. The District's laws are not in tune with modern business practices, including the pervasive use of electronic commerce, and the globalization of commerce.

- **Incomplete**

There are large gaps in the District's business entity laws.

No general entity transaction statute. The District has no general statute governing entity transactions – *i.e.*, mergers, conversions, interest exchanges, and domestications. Only a few provisions in *some* entity statutes authorize *some* of these transactions but only between entities of the *same* type. These laws do not adequately meet the needs of businesses that need to restructure to remain competitive during difficult economic times.

No limited cooperative association statute. The District has no statute authorizing creation of a limited cooperative associations, a new type of entity of growing popularity that combines traditional cooperative values with modern financing mechanisms. Limited cooperative associations are extremely flexible, and have been utilized in other states for numerous types of enterprises.

No statutory business trust statute. The District has no statute authorizing creation of statutory business trusts, although about 30 states have such statutes. Since the 1980s, statutory business trusts have thrived in a variety of business areas, particularly in the organization of mutual funds, structured financing, and asset securitization.

- **Unorganized**

The District’s business entity laws were enacted piecemeal over a period of about 125 years. They are largely independent of each other and not coordinated. The statutes pertaining to individual entities have their own, often different, definitions of the same terms, and different provisions relating to administrative filing requirements, registration and reservation of entity names, registered agents, foreign entities, and administrative dissolution. These differences require businesses using different forms of entities to master each set of laws separately. The entity laws are divided between Titles 29 (Corporations) and 33 (Partnerships). Neither title has been enacted into law; hence, amendments must be to the original statutes, which makes the laws difficult to update.

- **Benefits of the District of Columbia Business Organization Code**

- **Efficiently organized**

The D.C. Business Organizations Code uses a “hub and spoke” approach similar to that used by the Uniform Commercial Code. Chapter 1 (General Provisions), which is based on the 2009 Business Organizations Act drafted by the ULC and ABA, contains provisions applicable to all entities – namely, definitions of common terms, administrative filing requirements, registration and reservation of entity names, registered agents, foreign entities, and administrative dissolution. Chapter 2 (Entity Transaction) contains general provisions for mergers, interest exchanges, conversions, and domestications. The other 10 chapters are “spokes” providing the substantive laws relating to the particular entities without duplicating common provisions in Chapters 1 and 2. Consolidating all business entity laws in a single, enacted title of the D.C. Code, would result in a clear, comprehensive, easily accessible, and easily maintainable body of business entity laws.

- **Complete.**

The D.C. Business Organizations Code would fill serious gaps in the District’s law.

Entity Transactions. Chapter 2 of the Code is based on the 2007 Model Entity Transactions Act, prepared jointly by the ULC and ABA. Described as a “junction box,” it simplifies and expands the ability of businesses to restructure, which is often necessary to respond to economic changes. Four types of entity transactions are facilitated – mergers, interest exchanges, conversions, and domestications. Cross-type transactions, as well as same-type transactions, are authorized.

Limited Cooperative Associations. Chapter 10 of the Code is based on the 2007 Uniform Limited Cooperative Association Act, authorizing a new type of business entity that combines traditional cooperative values with modern financing mechanisms, such as permitting outside equity investment. It would permit formation of various types of limited cooperative associations, for numerous purposes including marketing, advertising, bargaining, processing, purchasing, real estate, and worker-owned cooperatives.

Statutory Business Trusts. Chapter 12 of the Code is based on the 2009 Uniform Statutory Trust Entity Act. It authorizes creation of statutory business trusts, which is the entity of choice for organizing mutual funds, asset securitization, and tax-advantaged real estate transactions. In addition, it authorizes the creation of “series trusts,” permitting creation of a single statutory business trust with a variety of investment opportunities.

- **Up to date**

The D.C. Business Organizations Code is based on uniform and model acts developed by the ULC, ABA, or both organizations jointly. The acts were recently completed and, hence, are up to date. In addition to the uniform or model acts mentioned above:

The 2007 ABA Model Business Corporations Act (Chapter 3) would update the District’s business corporations act, which is based on the original 1950 ABA Model Act. This would also update the District’s laws relating to professional corporations (Chapter 5) and general cooperative associations (Chapter 9), which refer to the business corporations statute for matters not covered.

The 2008 ABA Model Nonprofit Corporations Act (Chapter 4) would update the District’s nonprofit corporations act, which is based on the original 1960 ABA Model Act.

The 2001 Revised Uniform Limited Partnership Act (Chapter 7) would update the District’s law in this area, which is based on the original 1985 Uniform Act.

The 2005 Revised Uniform Limited Liability Company Act (Chapter 8) would replace the District’s 1994, first-generation statute, which is incomplete and inadequate, with an up-to-date, fourth generation limited liability company act.

The 2008 Revised Uniform Unincorporated Nonprofit Association Act (Chapter 9) would update the District’s law in this area, which is based on the original 1996 Uniform Act.

The 1997 Revised Uniform Partnership Act (Chapter 6), the only entity law that is not out of date, would be incorporated into the hub-and-spoke structure, without substantive change.

- **Easy to maintain**

The D.C. Business Organizations Code will be easy to update because it is comprised of uniform and model acts drafted by the ULC and ABA, which routinely develop amendments to respond to new business practices, changes in federal law, and other legal developments. The District does not have the resources to develop such revisions by itself. The District will be able to maintain the Code with minimal burden to the Council by adopting amendments officially proposed by the ULC and ABA. Moreover, because many of these uniform and model acts have been, or will be, enacted by state legislatures throughout the country, District lawyers, judges, and business owners and operators will benefit from the practical experience, judicial decisions, scholarly treatises and articles, and educational courses – all at the national level.