

Tables Comparing Limited Partnership Statutes

Table 1
Limited Partnership Statutes

Comparison of Creditor's Rights Provisions of the Revised Uniform LP Act (1976) with the 1985 Amendments, the Uniform LP Act (2001), and the Uniform LP Act (2001) as Amended in 2013

<p>Revised Uniform Limited Partnership Act (1976) with the 1985 Amendments</p>	<p><u>§703 Rights of Creditor</u> On application to a court of competent jurisdiction by any judgment creditor of a partner, the court may charge the partnership interest of the partner with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the partnership interest. This [Act] does not deprive any partner of the benefit of any exemption laws applicable to his [or her] partnership interest.</p>
<p>The Uniform Limited Partnership Act (2001)</p>	<p><u>§703 Rights of Creditor of Partner or Transferee</u> (a) On application to a court of competent jurisdiction by any judgment creditor of a partner or transferee, the court may charge the transferable interest of the judgment debtor with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of a transferee. 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 to give effect to the charging order. (b) A charging order constitutes a lien on the judgment debtor's transferable interest. The court may order a foreclosure upon the interest subject to the charging order at any time. The purchaser at the foreclosure sale has the rights of a transferee. (c) At any time before foreclosure, an interest charged may be redeemed: (1) by the judgment debtor; (2) with property other than limited partnership property, by one or more of the other partners; or (3) with limited partnership property, by the limited partnership with the consent of all partners whose interests are not so charged. (d) This [Act] does not deprive any partner or transferee of the benefit of any exemption laws applicable to the partner's or transferee's transferable interest. (e) This section provides the exclusive remedy by which a judgment creditor of a partner or transferee may satisfy a judgment out of the judgment debtor's transferable interest.</p>

The Uniform Limited Partnership Act (2001) as Amended in 2013

SECTION 703. CHARGING ORDER.

(a) On application by a judgment creditor of a partner or transferee, a court may enter a charging order against the transferable interest of the judgment debtor for the unsatisfied amount of the judgment. A charging order constitutes a lien on a judgment debtor's transferable interest and requires the limited partnership to pay over to the person to which the charging order was issued any distribution that otherwise would be paid to the judgment debtor.

(b) To the extent necessary to effectuate the collection of distributions pursuant to a charging order in effect under subsection (a), the court may:

(1) appoint a receiver of the distributions subject to the charging order, with the power to make all inquiries the judgment debtor might have made; and

(2) make all other orders necessary to give effect to the charging order.

(c) Upon a showing that distributions under a charging order will not pay the judgment debt within a reasonable time, the court may foreclose the lien and order the sale of the transferable interest. The purchaser at the foreclosure sale obtains only the transferable interest, does not thereby become a partner, and is subject to Section 702.

(d) At any time before foreclosure under subsection (c), the partner or transferee whose transferable interest is subject to a charging order under subsection (a) may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order.

(e) At any time before foreclosure under subsection (c), a limited partnership or one or more partners whose transferable interests are not subject to the charging order may pay to the judgment creditor the full amount due under the judgment and thereby succeed to the rights of the judgment creditor, including the charging order.

(f) This [act] does not deprive any partner or transferee of the benefit of any exemption law applicable to the transferable interest of the partner or transferee.

(g) This section provides the exclusive remedy by which a person seeking in the capacity of a judgment creditor to enforce a judgment against a partner or transferee may satisfy the judgment from the judgment debtor's transferable interest.

Table 2
Limited Partnership Statutes
Variations of §703 in States that have Adopted
The Revised Uniform Limited Partnership Act (1976) as Amended in 1985

State	Statutory Citation	Comparison with RULPA (1976) as Amended in 1985
Colorado	C.R.S.A. §7-62-703	same as RULPA 1976 §703
Connecticut	C.G.S.A. §34-30	same as RULPA 1976 §703
Georgia	O.C.G.A. §14-9-703	as adopted, adds a subsection (b): (b) The remedy conferred by this Code section shall not be deemed exclusive of others which may exist, including, without limitation, the right of a judgment creditor to reach the interest of a partner in the partnership by process of garnishment served on the partnership.
Indiana	A.I.C. §23-16-8-3	same as RULPA 1976 §703
Kansas	K.S.A. §56-1a403	same as RULPA 1976 §703
Maryland	MD Corp & Assns §10-705	same as RULPA 1976 §703
Massachusetts	M.G.L.A. ch. 109 §41	same as RULPA 1976 §703
Michigan	M.C.L.A. §449.1703	same as RULPA 1976 §703
Missouri	R.S.Mo. § 359.421	same as RULPA 1976 §703
Nebraska	R.R.S. Neb. §67-273	same as RULPA 1976 §703
New Hampshire	RSA §304-B:41	same as RULPA 1976 §703
New Jersey	N.J. Stat. §42:2A-48	same as RULPA 1976 §703
New York	NY CLS Partn §121-703	same as RULPA 1976 §703
North Carolina	N.C. Gen. Stat. §59-703	adds the following after the first sentence: The general partners shall have no liability to a partner for payments to a judgment creditor pursuant to this provision.
Ohio	ORC Ann. §1782.41	same as RULPA 1976 §703
Oregon	O.R.S. §70.295	same as RULPA 1976 §703
Rhode Island	R.I. Gen. Laws §7-13-41	same as RULPA 1976 §703
South Carolina	S.C. Code Ann. §33-42-1230	same as RULPA 1976 §703 Recently enacted legislation to adopt the 2013 Act (S.B. 193/H.B. 3230).
Tennessee	T.C.A. §61-2-703	same as RULPA 1976 §703; <i>ineffective as of January 1, 2018.</i>
Vermont	11 V.S.A. §3463	same as RULPA 1976 §703
West Virginia	W.Va. Code §47-9-41	same as RULPA 1976 §703
Wisconsin	Wis. Stat. §179.63	deletes the final sentence of RULPA 1976 §703 regarding the availability of other exemption laws.
Wyoming	W.S. §17-14-803	same as RULPA 1976 §703

Table 3
Limited Partnership Statutes
States with Creditor's Rights Provisions similar to ULPA 2001 §703

State	Statutory Citation	Comparison with ULPA (2001) §703
Arkansas	A.C.A. §4-47-703	Same as ULPA 2001 §703
California	Cal. Corp. Code §15907.03	Contains the same language as ULPA 2001 §703, but add in subsection (f): (f) No creditor of a partner shall have any right to obtain possession or otherwise exercise legal or equitable remedies with respect to the property of the limited partnership.
Hawaii	H.R.S. §425E-703	Same as ULPA 2001 §703
Illinois	805 I.L.C.S. §215/703	Same as ULPA 2001 §703
Iowa	Iowa Code §488.703	Same as ULPA 2001 §703
Kentucky	K.R.S. §362.2-703	Same as ULPA 2001 §703
Louisiana	La. C.C. Art. 2819	Louisiana's partnership laws do not clearly address creditor remedies against a partner's limited partnership interest, and therefore are not properly classified as being similar to the 2001 Act. However, we have placed it in this table because other statutes in Louisiana's limited partnership act indicate that a partner's interest can be "seized" by the partner's creditors(La. C.C. Art. 2819), which is more similar to the 2001 Act's foreclosure concept than the 1976 Act's silence on foreclosure.
Maine	31 M.R.S. §1383	Same as ULPA 2001 §703
Minnesota	Minn. Stat. §321.0703	Same as ULPA 2001 §703
Montana	M.C.A. 35-12-1103	Same as ULPA 2001 §703
New Mexico	N.M. Stat. Ann. §54-2A-703	Same as ULPA 2001 §703
Oklahoma	54 Okl. St. §500-703A	Same as ULPA 2001 §703
Washington	Rev. Code Wash. §25.10.556	Same as ULPA 2001 §703

Table 4
Limited Partnership Statutes
States with Creditor's Rights Provisions similar to ULPA 2001 §703, as Amended in 2013

State	Statutory Citation	Comparison with ULPA (2001) §703, as Amended in 2013
D.C.	D.C. Code §29-707.03	Same as ULPA 2001 §703, as Amended in 2013
Idaho	Idaho Code §30-24-703	Same as ULPA 2001 §703, as Amended in 2013
Mississippi	Miss. Code Ann. §79-14-703	Same as ULPA 2001 §703, as Amended in 2013
Pennsylvania	15 Pa.C.S. §8673	Same as ULPA 2001 §703, as Amended in 2013
Utah	Utah Code Ann. §48-2e-703	Same as ULPA 2001 §703, as Amended in 2013

Table 5
Limited Partnership Statutes
States with Creditor's Rights Provisions similar to ULPA 2001 §703, but prohibit Foreclosure

State	Statutory Citation	Comparison with ULPA (2001) §703
Alabama	Code of Ala. §10-A-9A-7.03	Substantially similar to ULPA 2001 Act, but modifies the last subsection: (f) This section provides the exclusive remedy by which a judgment creditor of a partner or transferee may satisfy a judgment out of the judgment debtor's transferable interest and the judgment creditor shall have no right to foreclose, under this chapter or any other law, upon the charging order, the charging order lien, or the judgment debtor's transferable interest. A judgment creditor of a partner or transferee shall have no right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of a limited partnership. Court orders for actions or requests for accounts and inquiries that the judgment debtor might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's transferable interest and may not be ordered by a court.
Alaska	A.S. §32.11.340	(b) This section provides the exclusive remedy that a judgment creditor of a general or limited partner or of the general or limited partner's assignee may use to satisfy a judgment out of the judgment debtor's interest in the partnership. Other legal and equitable remedies, including foreclosure on the general or limited partner's partnership interest and a court order for directions, accounts, and inquiries that the debtor general or limited partner might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited partnership and may not be ordered by a court.
Arizona	A.R.S. §29-341	1997 amendment added a final sentence: This section provides the exclusive remedy by which a judgment creditor of a partner may satisfy a judgment out of the judgment debtor's interest in the partnership.
Delaware	6 Del. C. §17-703	As adopted, modifies the exclusive remedy subsection: (d) The entry of a charging order is the exclusive remedy by which a judgment creditor of a partner or of a partner's assignee may satisfy a judgment out of the judgment debtor's partnership interest and attachment, garnishment, foreclosure or other legal or equitable remedies are not available to the judgment creditor.

Florida	F.S.A. §620.1703	<p>as amended in 2005, adds a subsection (3):</p> <p>(3) This section provides the exclusive remedy which a judgment creditor of a partner or transferee may use to satisfy a judgment out of the judgment debtor's interest in the limited partnership or transferable interest. Other remedies, including foreclosure on the partner's interest in the limited partnership or a transferee's transferable interest and a court order for directions, accounts, and inquiries that the debtor general or limited partner might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited partnership and may not be ordered by a court.</p>
Nevada	N.R.S. §88.535	<p>Substantially similar to RULPA 1976 §703, but adds subsection (2):</p> <p>2. This section:</p> <p>(a) Provides the exclusive remedy by which a judgment creditor of a partner or an assignee of a partner may satisfy a judgment out of the partnership interest of the judgment debtor. No other remedy, including, without limitation, foreclosure on the partner's partnership interest or a court order for directions, accounts and inquiries that the debtor or partner might have made, is available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited partnership, and no other remedy may be ordered by a court.</p> <p>(b) Does not deprive any partner of the benefit of any exemption laws applicable to the partnership interest of the partner.</p> <p>(c) Does not supersede any written agreement between a partner and creditor if the written agreement does not conflict with the partnership's certificate of limited partnership or partnership agreement.</p>
North Dakota	N.D. Cent. Code §45-10.2-64	<p>As adopted, includes subsection (6)(a):</p> <p>a. No other remedy, including foreclosure of the transferable interest or a court order for directions, accounts, and inquiries the debtor partner may have made, is available to the judgment creditor attempting to satisfy the judgment from the judgment debtor's interest in the partnership.</p>

State	Statutory Citation	Comparison with ULPA (2001) §703
South Dakota	S.D.C.L. §48-7-703	<p>2007 and 2009 amendments added the following paragraph:</p> <p>This section provides the exclusive remedy that a judgment creditor of a general or limited partner or of the general or limited partner's assignee may use to satisfy a judgment out of the judgment debtor's interest in the partnership. No other remedy, including foreclosure on the general or limited partner's partnership interest or a court order for directions, accounts, and inquiries that the debtor, general or limited partner might have made, is available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited partnership. No creditor of a partner or a partner's assignee has any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the partnership.</p>
Texas	T.B.O.C. §153.256	(c) A charging order constitutes a lien on the judgment debtor's partnership interest. The charging order lien may not be foreclosed on under this code or any other law.

Table 6
Limited Partnership Statutes
“Ambiguous Exclusive Remedy” States

State	Statutory Citation	Comparison with ULPA (2001) §703
<i>Tennessee</i>	<i>Tenn. Code Ann. §61-3-703 (effective Jan. 1, 2018)</i>	<p>In 2017, Tennessee amended its limited partnership statute, declaring a charging order to be the “exclusive remedy” against a partnership interest but not including any reference to foreclosure. Tenn. Code An n. §61-3-703.</p> <p>However, the legislature included a section charging order “a lien on the judgment debtor’s transferable interest.” Tenn. Code Ann. §61-3-703(a).</p> <p>This ambiguity may give creditors an argument that foreclosure is available as a remedy in Tennessee.</p>
Virginia	Va. Code. Ann. §50-73.46:1	<p>In 2006, Virginia amended its limited partnership statute to make a charging order the “exclusive remedy” against a limited partnership interest and to delete the statute’s references to foreclosure. Va. Code Ann. §50-73.46:1.</p> <p>However, the legislature preserved the portion of the statute that makes a charging order a “lien on the judgment debtor’s transferable interest in the limited partnership.” Va. Code Ann. §50-73.46:1(b).</p> <p>Like Tennessee’s upcoming statute, this ambiguity gives creditors an argument that foreclosure is still a remedy in Virginia.</p>

Tables Comparing Limited Liability Company Statutes

Table 1
Limited Liability Company Statutes
Comparison of Creditor's Rights Provisions
of the 1976 Uniform LP Act that served as the basis of the early version of state LLC statutes,
the 1996 LLC Act, the 2006 LLC Act, and the 2013 Act

<p>Creditor's rights statute derived from § 703 of the Revised Uniform Limited Partnership Act (1976)</p>	<p>On application to a court of competent jurisdiction by any judgment creditor of a member, the court may charge the member's limited liability company interest with the payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the member's limited liability company interest. [This Act] does not deprive any member of the benefit of any exemption laws applicable to his limited liability company interest.</p>
<p>Uniform Limited Liability Company Act (1996)</p>	<p>§ 504. Rights of creditor. (a) On application by a judgment creditor of a member of a limited liability company or of a member's transferee, a court having jurisdiction may charge the distributional 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 and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances may require to give effect to the charging order. (b) A charging order constitutes a lien on the judgment debtor's distributional interest. The court may order a foreclosure of a lien on a distributional interest subject to the charging order at any time. A purchaser at the foreclosure sale has the rights of a transferee. (c) At any time before foreclosure, a distributional interest in a limited liability company which is charged may be redeemed: (1) by the judgment debtor; (2) with property other than the company's property, by one or more of the other members; or (3) with the company's property, but only if permitted by the operating agreement. (d) This [Act] does not affect a member's right under exemption laws with respect to the member's distributional interest in a limited liability company. (e) This section provides the exclusive remedy by which a judgment creditor of a member or a transferee may satisfy a judgment out of the judgment debtor's distributional interest in a limited liability company.</p>

	<p>§ 503 Rights of transferee. . . . (e) A transferee who does not become a member is entitled to: . . . (3) seek . . . a judicial determination that it is equitable to dissolve and wind up the company's business.</p>
<p>Revised Uniform Limited Liability Company Act (2006)</p>	<p>§ 503. Charging Order. (a) On application by a judgment creditor of a member or transferee, a court may enter a charging order against the transferable interest of the judgment debtor for the unsatisfied amount of the judgment. A charging order constitutes a lien on a judgment debtor's transferable interest and requires the limited liability company to pay over to the person to which the charging order was issued any distribution that would otherwise be paid to the judgment debtor. (b) To the extent necessary to effectuate the collection of distributions pursuant to a charging order in effect under subsection (a), the court may: (1) appoint a receiver of the distributions subject to the charging order, with the power to make all inquiries the judgment debtor might have made; and (2) make all other orders necessary to give effect to the charging order. (c) Upon a showing that distributions under a charging order will not pay the judgment debt within a reasonable time, the court may foreclose the lien and order the sale of the transferable interest. The purchaser at the foreclosure sale only obtains the transferable interest, does not thereby become a member, and is subject to Section 502. (d) At any time before foreclosure under subsection (c), the member or transferee whose transferable interest is subject to a charging order under subsection (a) may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order. (e) At any time before foreclosure under subsection (c), a limited liability company or one or more members whose transferable interests are not subject to the charging order may pay to the judgment creditor the full amount due under the judgment and thereby succeed to the rights of the judgment creditor, including the charging order. (f) This [act] does not deprive any member or transferee of the benefit of any exemption laws applicable to the member's or transferee's transferable interest. (g) This section provides the exclusive remedy</p>

	<p>by which a person seeking to enforce a judgment against a member or transferee may, in the capacity of judgment creditor, satisfy the judgment from the judgment debtor's transferable interest.</p>
<p>Revised Uniform Limited Liability Company Act (2006) as Amended in 2013</p>	<p>The amendment inserts a new subsection (f), causing the previous version's (f) and (g) to become (g) and (h), respectively:</p> <p>...(f) If a court orders foreclosure of a charging order lien against the sole member of a limited liability company:</p> <ol style="list-style-type: none"> (1) The court shall confirm the sale; (2) The purchaser at the sale obtains the member's entire interest, not only the member's transferable interest; (3) The purchaser thereby becomes a member; and (4) The person whose interest was subject to the foreclosed charging order is dissociated as a member.

Table 2
Limited Liability Company Statutes
States with Creditor's Rights Provisions
Based on the 1996 LLC Act, with Dissolution Provision

State	Statutory Citation	Notes
Hawaii	HRS § 428-504 HRS § 428-503	Hawaii's LLC Act deletes the second sentence of subsection (a), which allows a court to "make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances may require to give effect to the charging order," and replaces it with "The Court may appoint a receiver to carry out the provisions of the charging order."
Montana	MCA § 35-8-705 MCA § 35-8-902	Montana's statute is the same as the Uniform LLC Act provision.
South Carolina	S.C. Code Ann. § 33-44-504 § 33-44-503	South Carolina's statute is the same as Uniform LLC Act provision. South Carolina recently enacted legislation to adopt the 2013 Act (S.B. 189/H.B. 3108).
West Virginia	W.Va. Code, § 31B-5-504 W.Va. Code, § 31B-5-503	West Virginia's statute are the same as the Uniform LLC Act provisions.

Table 3
Limited Liability Company Statutes
States with Creditor's Rights Provisions
Similar to the 1996 LLC Act, without Dissolution Provision

State	Statutory Citation	Notes
Colorado	C.R.S.A. § 7-80-703	<p>Colorado's statute does not include the final sentence of the Uniform LLC Act provision, which states, "This section provides the exclusive remedy by which a judgment creditor of a member . . . may satisfy a judgment out of the judgment debtor's [LLC interest]."</p> <p>The Colorado statutes do not include the right of a transferee "to seek . . . a judicial determination that it is equitable to dissolve and wind up the company's business."</p>
Washington	Rev. Code Wash. § 25.15.256	The Washington statutes do not give transferees the right "to seek...a judicial determination that it is equitable to dissolve and wind up the company's business."

Table 4
Limited Liability Company Statutes
States with Creditor's Rights Provisions
Similar to the 2006 LLC Act

State	Statutory Citation	Notes
California	Cal. Corp. Code §17705.03	
Illinois	805 ILCS § 180/30-20	Illinois adds the following sentence to the last subsection: "If and to the extent that other law permits a judgment creditor to obtain a lien against the distributional interest or other rights of a member or transferee of a member, the lien shall be treated as a charging order subject to all the provisions of this Section."
Iowa	I.C.A. § 489.503	
Kentucky	K.R.S. § 275.260	<p>Kentucky's statute adds the following subsections:</p> <p>"(6) The limited liability company is not a necessary party to an application for a charging order. Service of the charging order on a limited liability company may be made by the court granting the charging order or as the court should otherwise direct.</p> <p>(7) This section does not apply to the enforcement of a judgment by a limited liability company against a member of that company.</p> <p>(8) This section does apply to the issuance of a charging order against the interest of a member or assignee of a member of a foreign limited liability company."</p>
Maryland	Md. Code, Corporations and Associations § 4A-607 § 4A-604	<p>Maryland law allows for charging orders to attach to "economic interests" of a member-debtor, not "transferable interests" as used in the 2006 model Act.</p> <p>Maryland's statute states that purchaser at a foreclosure sale become assignees of the economic interest, not members, but Maryland law also provides that:</p> <p>"An assignee of an economic interest in a limited liability company may become a member of the limited liability company under any of the following circumstances:</p> <p>(1) In accordance with the terms of the operating agreement providing for the admission of a member;</p> <p>(2) By the unanimous consent of the members; or</p> <p>(3) If there are no remaining members of the limited liability company at the time the assignee obtains the economic interest, on terms that the assignee may determine in accordance with § 4A-902(b)(1) of this title.</p> <p>Md. Code, Corporations and Associations, § 4A-604(a).</p>
Minnesota	Minn. Stat. § 322C.0503	
Nebraska	R.R.S. Neb. § 21-142	

Table 5
Limited Liability Company Statutes
States with Creditor's Rights Provisions
Similar to the Uniform LP Act

State	Statutory Citation	Notes
Arkansas	A.C.A. § 4-32-705	
Indiana	I.C. 23-18-6-7	
Louisiana	LA R.S. 12:1331	
Massachusetts	A.L.M. G.L. Ch. 156C § 40	
Missouri	R.S.Mo. § 347.119	
New Mexico	N.M. Stat. Ann. § 53-19-35	New Mexico recently enacted legislation to adopt the 2013 Act (H.B. 180).
New York	N.Y. C.L.S. LLC § 607	New York law adds a final subsection: "No creditor of a member shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the limited liability company."
Oregon	O.R.S. § 63.259	
Rhode Island	R.I. Gen.Laws § 7-16-37	
Wisconsin	Wis. Stat. 183.0705	

Table 6
Limited Liability Company Statutes
States with Creditor's Rights Provisions
Similar to the 2013 Revised Uniform LLC Act Amendments

State	Statutory Citation	Notes
District of Columbia	DC ST § 29-805.03	
Idaho	I.C. § 30-25-503	
New Hampshire	R.S.A. 304-C:126	<p>New Hampshire's statute is similar to the 2013 RULLCA Amendments but offers less protection for single-member LLCs per subsection VI:</p> <p>“(a) If a judgment creditor shows to the satisfaction of a court of competent jurisdiction that distributions under a charging order in respect of the limited liability company interest of a debtor-member of a single-member limited liability company will not satisfy the judgment within a reasonable time, a charging order shall not be the sole and exclusive remedy by which the judgment creditor may satisfy the judgment against the member.” R.S.A. 304-C:126(IV)(a).</p> <p>Further, despite the statute's claim in subsection IV that it offers the “exclusive remedy” for judgment creditors against an LLC debtor-member's membership interests, subsection VIII appears to contradict the exclusivity of the statute:</p> <p>“VIII. Nothing in this section shall limit:</p> <p>(a) The rights of a creditor that has been granted a consensual security interest in the limited liability company interest or other membership rights of a member to pursue the remedies available to the secured creditor under other law applicable to secured creditors’</p> <p>(b) The principles of law and equity which affect fraudulent transfers;</p> <p>(c) The availability of the equitable principles of veil piercing, equitable lien, or constructive trust, or other equitable principles not inconsistent with this section; or</p> <p>(d) The continuing jurisdiction of the court to enforce its charging order in a manner consistent with this section.” <i>Id.</i>, 304-C:126(VIII).</p>
Pennsylvania	15 Pa.C.S. § 8853	
Utah	Utah Code Ann. § 48-3a-503	
Vermont	11 V.S.A. § 4074	

Table 7
Limited Liability Company Statutes
“Exclusive Remedy” States specifically prohibiting Foreclosure

State	Statutory Citation	Notes
Alabama	Code of Ala. §10A-5A-5.03	<p>Alabama’s statute is similar to the 2006 Act, but adds more protection to the LLC:</p> <p>(f) This section provides the exclusive remedy by which a judgment creditor of a member or transferee may satisfy a judgment out of the judgment debtor’s transferable interest and the judgment creditor shall have no right to foreclose, under this chapter or any other law, upon the charging order, the charging order lien, or the judgment debtor’s transferable interest. A judgment creditor of a member or transferee shall have no right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of a limited liability company. Court orders for actions or requests for accounts and inquiries that the judgment debtor might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor’s transferable interest and may not be ordered by a court.</p>
Alaska	A.S. § 10.50.380	<p>Alaska’s statute is similar to the Uniform LP Act provision, but it adds the following subsections:</p> <p>(c) This section provides the exclusive remedy that a judgment creditor of a member or a member's assignee may use to satisfy a judgment out of the judgment debtor's interest in the limited liability company. Other remedies, including foreclosure on the member's limited liability company interest and a court order for directions, accounts, and inquiries that the debtor member might have made, are not available to the judgment creditor attempting to satisfy a judgment out of the judgment debtor's interest in the limited liability company and may not be ordered by a court.”</p> <p>(e) This section applies to limited liability companies with only one member as well as to limited liability companies with more than one member.</p>

State	Statutory Citation	Notes
Arizona	A.R.S. § 29-655	<p>Arizona’s statute is similar to the Uniform LP Act provision, but it adds: “ This section provides the exclusive remedy by which a judgment creditor of a member may satisfy a judgment out of the judgment debtor’s interest in the limited liability company.” A.R.S. § 29-655.C.</p> <p>However, relevant to single-member LLCs, Arizona’s LLC Act contains the following provision: “ If on dissolution the limited liability company has no manager and no member and none is admitted . . . the assignees by unanimous written consent may appoint an agent, which may be an assignee or any other person or entity, including a liquidating trustee, to wind up the business and affairs of the limited liability company. Any such agent is authorized to sign and file on behalf of the limited liability company articles of termination . . . and to liquidate its business and affairs . . . and an operating agreement.” A.R.S. §29-781.01.</p>
Connecticut	Conn. Gen. Stat. § 34-259b	<p>Connecticut’s statute contains subsection (e): “ The entry of a charging order is the exclusive remedy by which a person seeking to enforce a judgment against a member or transferee may, in the capacity of judgment creditor, satisfy the judgment from the judgment debtor’s transferable interest. With respect to the judgment debtor’s transferable interest, attachment, garnishment, foreclosure, or other legal or equitable remedies are not available to the judgment creditor, whether the limited liability company has one member or more than one member.”</p>
Delaware	6 Del. Code § 18-703	<p>Delaware’s statute provides that a charging order is the “exclusive remedy” for judgment creditors against membership interest in both single-member LLCs and larger LLCs. Subsection (d) specifically prohibits foreclosure as a remedy.</p>
Florida	Fla.Stat. §605.0503	<p>Florida’s statute is identical to the 2013 Act except that it explicitly prohibits foreclosure only against multi-member LLCs, for which the charging order is the exclusive remedy. Florida permits foreclosure against single-member LLCs in the same manner as the 2013 Act.</p>
Georgia	Ga. Code Ann., § 14-11-504	<p>Georgia’s Code adds a final subsection: “The remedy conferred by this Code section shall not be deemed exclusive of others which may exist, including, without limitation, the right of a judgment creditor to reach the limited liability company interest of the member by process of garnishment served on the limited liability company, provided that, except as otherwise provided in the articles of organization or a written operating agreement, a judgment creditor shall have no right under this chapter or any other state law to interfere with the management or force dissolution of a limited liability company or to seek an order of the court requiring a foreclosure sale of the limited liability company interest.</p>

State	Statutory Citation	Notes
Maine	31 M.R.S. § 1573	Maine’s statute prohibits foreclosure “under this chapter or any other law,” and is the exclusive remedy for judgment creditors against LLC membership interests. 31 M.R.S. § 1573(3),(7)
Michigan	M.C.L.A. § 450.4507	Michigan’s statute is similar to the Uniform LP Act provision but adds greater protection by preventing judgment creditors from becoming members of the LLC, prohibiting foreclosure of membership interests, and stating that the statute is the “exclusive remedy” for judgment creditors against LLC interests. M.C.L.A. 450.4507(4)-(6).
Nevada	Nev. Rev. Stat. Ann. § 86.401	Nevada’s statute is similar to the Uniform LP Act provision, but it adds a subsection as follows: “. . . This section . . . provides the exclusive remedy by which a judgment creditor of a member or an assignee of a member may satisfy a judgment out of the member’s interest of the judgment debtor, whether the limited-liability company has one member or more than one member. No other remedy, including, without limitation, foreclosure on the member’s interest or a court order for directions, accounts and inquiries that the debtor or member might have made, is available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor’s interest in the limited-liability company, and no other remedy may be ordered by a court.” Nev. Rev. Stat. Ann. § 86.401(2)(a).
New Jersey	N.J. Stat. § 42:2C-43	New Jersey’s statute is similar to the Uniform LP Act provision, but it adds: “A court order charging the limited liability company interest of a member pursuant to this section shall be the sole remedy of a judgment creditor, who shall have no right under [this Act] or any other State law to interfere with the management or force dissolution of a limited liability company or to seek an order of the court requiring a foreclosure sale of the limited liability company interest. Nothing in this section shall be construed to affect in any way the rights of a judgment creditor of a member under federal bankruptcy or reorganization laws.” N.J. Stat. § 42:2C-43.
North Dakota	N.D. Cent. Code § 10-32.1-45	North Dakota’s statute is similar to the 2013 Act to the 2006 Act, but it adds: “No other remedy, including foreclosure of the transferable interest or a court order for directions, accounts, and inquiries that the debtor member might have made, is available to the judgment creditor that is attempting to satisfy the judgment out of the judgment debtor’s interest in the limited liability company.” N.D. Cent. Code § 10-32.1-45(6)(a).

State	Statutory Citation	Notes
Oklahoma	18 Okl.St. Ann. § 2034 <i>Eff. until Nov. 1, 2017</i>	Oklahoma's statute is similar to the Uniform LP Act provision, but it adds: "A charging order entered by a court pursuant to this section shall in no event be convertible into a membership interest through foreclosure or other action. . . . This section shall be the sole and exclusive remedy of a judgment creditor with respect to the judgment debtor's membership interest."
South Dakota	SDCL § 47-34A-504	South Dakota's statute is similar to the 1996 LLC Act, but it adds: "(e) This section provides the exclusive remedy that a judgment creditor of a member's distributional interest or a member's assignee may use to satisfy a judgment out of the judgment debtor's interest in a limited liability company. No other remedy, including foreclosure on the member's distributional interest or a court order for directions, accounts, and inquiries that the debtor, member might have made, is available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor's interest in the limited liability company. (f) No creditor of a member or a member's assignee has any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the company." SDCL § 47-34A-504(e), (f).
Tennessee	T. C. A. § 48-218-105	Tennessee's statute is similar to the Uniform LP Act provision, but it adds a final sentence: "This section is the sole and exclusive remedy of a judgment creditor with respect to the judgment debtor's membership interest." Section 48-218-101 of Tennessee's LLC Act disallows a transferee's ability to cause a dissolution of the company. T.C.A. § 48-218-101(b).
Texas	Tex. Business Organizations Code § 101.112	Texas's statute provides: "A charging order constitutes a lien on the judgment debtor's membership interest. The charging order lien may not be foreclosed on under this code or any other law...The entry of a charging order is the exclusive remedy by which a judgment creditor of a member or of any other owner of a membership interest may satisfy a judgment out of the judgment debtor's membership interest."
Wyoming	W.S. § 17-29-503	Wyoming's statute states: "This section provides the exclusive remedy by which a person seeking to enforce a judgment against a judgment debtor, including any judgment debtor who may be the sole member, dissociated member or transferee, may, in the capacity of the judgment creditor, satisfy the judgment from the judgment debtor's transferable interest or from the assets of the limited liability company. Other remedies, including foreclosure on the judgment debtor's limited liability interest and a court order for directions, accounts and inquiries that the judgment debtor might have made are not available to the judgment creditor attempting to satisfy a judgment out of the judgment debtor's interest in the limited liability company and may not be ordered by the court."

Table 8
Limited Liability Company Statutes
“Ambiguous Exclusive Remedy” States

State	Statutory Citation	Notes
Kansas	K.S.A §17-76,113	<p>Although Kansas is an “exclusive remedy” state, its statute describes a charging order as a “lien on the judgment debtor’s limited liability company interest.” K.S.A. §17-76, 113(b).</p> <p>Without any reference of foreclosure, Kansas’ statute gives creditors an argument that foreclosure is still a valid remedy. Case law appears to retain the previous Kansas court opinion that the charging order was the exclusive remedy.</p>
Mississippi	Miss. Code Ann. § 79-29-705	<p>Although Mississippi is an "exclusive remedy" state, its statute does not specifically address foreclosure and subsection (2) defines a charging order as a “lien on the judgment debtor’s financial interest,” giving creditors an argument that foreclosure is still an available remedy. Miss. Code Ann. § 79-29-705(2).</p>
North Carolina	N.C. Gen. Stat. § 57D-5-03	<p>North Carolina’s statute is similar to the Uniform LP Act, but adds in a subsection describing a charging order as a “lien on the judgment debtor’s economic interest.” N.C. Gen. Stat. § 57D-5-03(b).</p> <p>Though the statute also states that a charging order is the “exclusive remedy,” the lack of any reference to foreclosure gives creditors an argument that foreclosure on an LLC membership interest is available in North Carolina.</p>
Ohio	O.R.C. Ann. §1705.19	<p>Ohio’s statute is similar to the Uniform LP Act, but it notably adds the following sections: “(B) An order charging the membership interest of a member of a limited liability company is the sole and exclusive remedy that a judgment creditor may seek to satisfy a judgment against the membership interest of a member or a member’s assignee. (C) No creditor of a member of a limited liability company or a member’s assignee shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the limited liability company.” O.R.C. Ann. § 1705.19(B),(C)</p> <p>Ohio’s statute also has no definition of a charging order as a lien on a membership interest, making it appear that foreclosure is not a remedy, though without a specific prohibition on foreclosure an argument can still be made for its inclusion.</p>

State	Statutory Citation	Notes
Virginia	Va. Code Ann. § 13.1-1041.1	<p>In 2006, Virginia amended its LLC statute to make a charging order the “exclusive remedy” against an LLC interest and deleting the statute’s references to foreclosure. Va. Code Ann. § 13.1-1041.1(D).</p> <p>However, the legislature preserved the portion of subsection (B) of the statute that makes a charging order a “lien on the judgment debtor’s limited liability company interest.” <i>Id.</i>, § 13.1-1041.1(B).</p> <p>This ambiguity gives creditors an argument that foreclosure is still a remedy in Virginia.</p>