



Ohio Revised Code

Section 1706.515 Collection of debts without registration prohibited.

Effective: April 12, 2021

Legislation: Senate Bill 276 - 133rd General Assembly

(A) No foreign limited liability company, or a series thereof, transacting business in this state, nor anyone on its behalf, shall be permitted to maintain a proceeding in any court in this state for the collection of its debts unless an effective registration as a limited liability company for the foreign limited liability company is on file in the records of the secretary of state.

(B) A court may stay a proceeding commenced by a foreign limited liability company, or series thereof, until it determines whether the foreign limited liability company should have a registration as a limited liability company on file in the records of the secretary of state. If the court determines that the foreign limited liability company should have a registration as a limited liability company on file in the records of the secretary of state, the court may further stay the proceeding until there is an effective registration as a limited liability company on file in the records of the secretary of state with respect to the foreign limited liability company. If a court determines that a foreign limited liability company should have a registration as a limited liability company on file in the records of the secretary of state, and the foreign limited liability company subsequently delivers for filing to the secretary of state a registration as a limited liability company, no proceeding in any court in this state to which the foreign limited liability company, or a series thereof, is a party shall, after the effective date of the registration as a foreign limited liability company, be dismissed by reason of the foreign limited liability company's prior noncompliance with section 1706.511 of the Revised Code.

(C) If a foreign limited liability company, or a series thereof, conducts activities in this state without having on file in the records of the secretary of state a registration as a foreign limited liability company, the foreign limited liability company shall be liable to this state for an amount equal to the fee as prescribed by the secretary of state from time to time.

No registration as a foreign limited liability company shall be filed until payment of the amounts due under this division is made.

(D) The amounts due to this state under division (C) of this section may be recovered in an action



brought by the attorney general. Upon a finding by the court that a foreign limited liability company, or series thereof, has conducted activities in this state in violation of sections 1706.51 to 1706.515 of the Revised Code, the court may issue, in addition to or in lieu of the imposition of a civil penalty, an injunction restraining the further conducting of activities by the foreign limited liability company and all of its series, and the further exercise of any rights and privileges of a foreign limited liability company in this state until all amounts plus any interest and court costs that the court may assess have been paid, and until the foreign limited liability company has otherwise complied with sections 1706.51 to 1706.515 of the Revised Code.

(E) Notwithstanding divisions (A) and (B) of this section, the conducting of activities in this state by a foreign limited liability company, or a series thereof, without having a registration as a foreign limited liability company on file in the records of the secretary of state does not impair the validity of the acts of the foreign limited liability company, or a series thereof, or prevent the foreign limited liability company, or a series thereof, from defending any proceeding in this state.

(F) Neither a member nor agent of a foreign limited liability company nor a member associated with a series or agent of a series, is liable for the debts, obligations, or other liabilities of the foreign limited liability company, or a series thereof, solely because the foreign limited liability company, or a series thereof, conducted activities in this state without a registration as a foreign limited liability company being on file in the records of the secretary of state.