

Insights and Commentary from Dentons

The combination of Dentons US and McKenna Long & Aldridge offers our clients access to 1,100 lawyers and professionals in 21 US locations. Clients inside the US benefit from unrivaled access to markets around the world, and international clients benefit from increased strength and reach across the US.

This document was authored by representatives of McKenna Long & Aldridge prior to our combination's launch and continues to be offered to provide our clients with the information they need to do business in an increasingly complex, interconnected and competitive marketplace.



LLP Liability: Making Sure You're Protected Part II

By Randy Evans, Shari Kleven
& Alanna Clair

Georgia law is not kind to general partnerships. Indeed, general partners can be jointly and severely liable for any partnership obligation, and worse yet, any obligation of an individual partner for actions while acting as a partner. On the other hand, Georgia law offers broad protection to partnerships that have followed the statutory requirements for a limited liability partnership (LLP). Few professional firms, however, take full advantage of the protections available to them, and many fail to organize their partnerships to best protect the partnership's and their individual partner's assets and management. Unfortunately, by the time a problem arises it may be too late to take corrective action.

By taking a few simple steps in advance, professional firms in Georgia can maximize the benefits of a limited liability partnership, many of which are often overlooked in drafting this type of partnership agreement and implementing partnership guidelines. Throughout the year, *Scripts* will share steps that every professional firm should take in order to protect its partnerships, and more importantly, its partners – in advance of any challenges that may come.

Part II - Execute a Written Partnership Agreement that Complies with Georgia Statutes.

Some partnerships intend to have a written limited liability partnership agreement, but never get around to actually drafting and executing one. In the absence of a written LLP, Georgia law will likely presume a general partnership agreement. The risks of this approach are high.

Georgia statutes give limited liability partnerships protection by specifically defining the obligations and debts of partners. While the advantages are great, so is the need to strictly comply with the statutes creating these advantages. To that end, it is important that a LLP identify the goals important to its own self-management and ensure that the partnership agreement does not contradict any aspect of Georgia's limited liability statutes.

If a limited liability partnership agreement contradicts any aspect of Georgia statute, the partnership will be bound by its agreement, even where the statutes offer greater protection or are more favorable.



CHN
COMMUNITY HEALTH NETWORK
www.chn-corp.com

*Coaching you to
Better Health.*

For more information or
to schedule an appointment call
Jackie Warren at 770 334-2480 or
email info@chn-corp.com



Kelly S. Miller

770-319-1700

kmiller@resourcehorizons.com

Securities offered through
Resource Horizons Group, L.L.C.
Member FINRA, SIPC Advisory Services offered
through Resource Horizons In

loor

Marietta, GA 30060