



501 3rd Street, NW · 8th Floor
Washington, DC 20001
T 202.467.4900 · F 202.467.4949
www.childrenslawcenter.org

Testimony Before the District of Columbia Council
Committee on Public Works and Operations
January 24, 2024

Performance Oversight Hearing:
Department of Licensing and Consumer Protection

Makenna Osborn
Policy Attorney
Children's Law Center

Introduction

Good morning, Councilmember Nadeau, and members of the Committee. My name is Makenna Osborn. I am Policy Attorney at Children’s Law Center, and a resident of the District. Children’s Law Center believes every child should grow up with a strong foundation of family, health and education and live in a world free from poverty, trauma, racism and other forms of oppression. Our more than 100 staff – together with DC children and families, community partners and pro bono attorneys – use the law to solve children’s urgent problems today and improve the systems that will affect their lives tomorrow. Since our founding in 1996, we have reached more than 50,000 children and families directly and multiplied our impact by advocating for city-wide solutions that benefit hundreds of thousands more.

The conditions in a child’s home can profoundly impact their physical and mental well-being.¹ When unsafe and unsanitary rental housing conditions are harming a child’s health, their family must be able to quickly notify their landlord and request that the conditions be addressed – and if the landlord fails to make the necessary repairs in a timely manner, the family should be able to take legal action to enforce the warranty of habitability enshrined in the District’s laws.² To do so, families need to know who their landlord is and how they can be contacted and served. This task is not easy when a property’s registered owner is a single-purpose entity, like a limited liability company (LLC), and not the actual person who is profiting from operating as a housing provider and are ultimately responsible for maintaining the property’s safety and habitability.

To address this problem in DC, the Council passed legislation in 2018 requiring all corporate entities to provide the District with the names and addresses of the people who benefit from and control the operations of that entity.³ As the agency that registers corporate entities

operating in the District, the Department of Licensing and Consumer Protection (DLCP) is responsible for collecting the required beneficial ownership information.⁴ Unfortunately, as I testified about during DLCP's Performance and Budget Oversight hearings last year,⁵ the only step DLCP has taken to implement the law is adding a required beneficial owner section to its filing and reporting forms.⁶ The agency does not review the substance of information submitted in that section to ensure actual compliance. Children's Law Center's attorneys regularly encounter the consequences of this inadequate implementation while helping tenants secure repairs from negligent landlords.⁷ When complete and accurate beneficial ownership information is not available from DLCP, our staff must conduct time-consuming and sophisticated research to ascertain who owns a building and how to successfully contact them, prolonging the amount of time our clients' families are living in health-harming conditions.

We are very thankful to you Councilmember Nadeau, as Chair of the Committee, for meaningfully engaging with Children's Law Center and DLCP on this topic throughout last year's oversight process and providing funding for five new Full-Time Equivalent employees (FTEs) at DLCP beginning in FY24 to increase the agency's capacity to enforce the District's beneficial owner disclosure requirements.⁸ We also want to thank DLCP for reaching out to Children's Law Center following last year's oversight hearings to learn more about our concerns and recommendations for improvement. My testimony today will discuss 1) why DLCP's enforcement of corporate beneficial disclosure requirements is still inadequate, hindering the District's ability to hold unscrupulous property owners accountable for harmful practices and 2) how DLCP should utilize the resources and policy recommendations provided by the Committee to increase compliance with the District's beneficial owner disclosure requirements.

Inaccurate and Incomplete Beneficial Owner Disclosures Continue to Allow Unscrupulous Landlords to Evade Accountability

Under DC law, all corporate entities doing business in the District must disclose in their registration filing and biennial report submitted to DLCP:

the names, residence and business addresses of each person whose aggregate share of direct or indirect, legal or beneficial ownership of a governance or total distributional interest of the entity:

- (A) Exceeds 10%; or
- (B) Does not exceed 10%; provided, that the person:
 - (i) Controls the financial or operational decisions of the entity; or
 - (ii) Has the ability to direct the day-to-day operations of the entity.⁹

The Council enacted these beneficial owner disclosure requirements to address the well-documented problem of disreputable developers and owners evading accountability for harmful conditions in their properties by hiding behind layers of single-purpose entities.¹⁰ The disclosures were intended to both 1) empower individual residents with information about from whom they are buying or renting, and 2) enable the District government to easily identify all of the properties developed or owned by bad actors to target enforcement efforts.¹¹

During last year's performance and budget oversight process, this Committee reminded DLCP about the intention behind the District's beneficial owner disclosure requirements and why it is so important that DLCP move beyond superficial implementation of the law to substantive compliance and meaningful enforcement.¹² Unfortunately, DLCP has not changed its passive approach to beneficial owner disclosures. In response to the Committee's pre-hearing request for information on how many corporate filings "DLCP [has] identified as not in compliance with the District's corporate beneficial owner disclosure requirements," the agency indicated that at the start of FY24, 99.68% of business entities registered with DLCP "have their beneficial ownership

information listed” and just 16 entities do not have any beneficial ownership information listed.¹³ However, whether *any* information on beneficial ownership is listed does not answer the Committee’s question about compliance. To be in compliance with the law, the information listed must be a complete and accurate disclosure of all persons who meet the definition of beneficial owner under the law.¹⁴ DLCP, however, is only able to report on whether or not an entity has listed any beneficial owner information because the agency does not review the substance of the disclosures made by corporations.

While Children’s Law Center appreciates that DLCP’s Consumer Protection Unit may investigate an entity’s disclosure if they receive a complaint alleging non-compliance, reactive enforcement is not sufficient.¹⁵ On multiple occasions over the past year, Children’s Law Center’s efforts to secure repairs in a family’s rental housing were significantly delayed because our staff struggled to find an address where a true owner of the property could be served. If the District’s beneficial owner law were operating as intended, once an attorney has the name of the corporate entity that owns a client’s rental housing, they should be able to look the entity up on CorpOnline¹⁶ – the public-facing web portal DLCP uses to manage corporate registrations – and find the home and business address of each person with ultimate responsibility for maintaining the property’s habitability. That has not been our experience.

Currently, when Children’s Law Center staff search CorpOnline, they may find beneficial owners with only one address listed that turns out to be neither their home or business or they may find that the only beneficial owner listed is a representative of the property management company contracted by the landlord but not the landlord themselves. In these circumstances, our attorneys and investigators conduct deep research of other public records for ownership

information and may have to make multiple service attempts at different addresses to reach the landlord Children’s Law Center is trying to hold accountable. For families experiencing emergency situations like lack of electricity, heat, and hot water, every day that procedural hurdles delay their relief is unacceptable. To protect the health and safety of District residents, DLCP must proactively increase compliance with beneficial owner disclosure requirements at the time of corporate registration rather than relying solely on complaint-based enforcement.

These experiences with flawed beneficial owner disclosures are not unique to Children’s Law Center. The Department of Buildings’ (DOB) ability to enforce the District’s housing code is hampered by the lack of easily accessible, accurate information on the actors behind single-purpose entities that own property. Recently completed assessments of DOB’s inspection processes found that DOB’s staff “currently require an exorbitant amount of time to research [property owner information] and are often encumbered by setbacks having chased ghost LLCs”¹⁷ and even after that effort, a large percentage of the notices of housing code violations issued to landlords “never make it to the property owner, which means they can never contest or remediate the alleged violation.”¹⁸ Much of DOB’s above-mentioned research is conducted on CorpOnline.¹⁹ If the District’s beneficial owner disclosure requirements were being implemented as intended, DOB staff would not face such an onerous task using CorpOnline to correctly identify and contact the person(s) behind the single-purpose entity listed as a property’s owner. Further, as long as DLCP fails to collect complete and accurate beneficial ownership information from entities, DOB will not be able to do the strategic, proactive work of identifying the landlords who own multiple properties across the District under different single-purpose entities and consistently fail to provide safe, habitable housing to renters in their properties.

DLCP Needs to Employ the Additional Resources Provided by This Committee to Ensure Corporate Entities Comply with Necessary Disclosure Requirements

After hearing from DLCP during last year's performance and budget oversight hearings that the agency did not have sufficient staffing to enforce the District's corporate beneficial owner disclosure requirements, this Committee funded five new FTEs at DLCP – three in the Corporations Division and two in the Enforcement Unit.²⁰ Based on communications with DLCP, the Committee believed these positions would enable the agency to “review more of the [beneficial owner] documentation received by the agency – rather than random spot-checks – and have the enforcement resources to back it up.”²¹ In their submitted oversight responses, however, DLCP indicated that all five of these positions remain unfilled.²² DLCP stated that the agency is “actively recruiting” for these positions and expected to fill them by the end of January 2024.²³

DLCP had over four months between when this Committee announced funding for these five new FTEs (May 9, 2023) and the beginning of the new fiscal year (October 1, 2023) when the funding would be available for use.²⁴ During that time the agency should have acted with appropriate urgency to create the relevant job descriptions and initiate the hiring process so the new employees could start their substantive work as soon as possible in FY24. Instead, DLCP is still only in the recruiting phase a quarter of the way through the fiscal year. The Committee must ask DLCP for a detailed update on the status of these positions including exactly what stage of the hiring process the agency is in for each one and what the agency means by “actively recruiting.” Additionally, the Committee should work with DLCP to identify and make an actionable plan to address any barriers the agency is facing to filling the positions as quickly as possible. It is imperative that DLCP hire and onboard these new employees so the agency can

meaningfully enforce corporate transparency and District residents can finally benefit from the protections against predatory actors.

In addition to supplying the financial resources for new staff, the Committee made several policy recommendations to DLCP as part of the FY24 budget. The Committee recommended that DLCP:

1. work with Children’s Law Center and other stakeholders to understand how DLCP can better identify bad actors using “opaque corporate registrations to evade responsibility;”
2. modernize the technology used to collect beneficial owner disclosures and supporting documentation to make it easier to monitor compliance; and
3. “ensure there are standard procedures in place for referrals and exchange of information between DLCP and DOB in the enforcement of housing code violations.”²⁵

Regarding the first recommendation, Children’s Law Center appreciates that DLCP reached out to us after last year’s oversight hearing to discuss our concerns and recommendations on how to improve compliance with beneficial owner disclosure requirements. DLCP’s Corporations Division also contacted us to learn about corporate landlords we believe have not accurately disclosed their beneficial owners. We hope DLCP will continue to meaningfully engage with Children’s Law Center and this Committee to implement the changes needed to better protect District tenants from negligent corporate landlords.

Regarding the second recommendation, in its oversight responses DLCP indicated that “new software applications and enhancements” are still needed to support the agency’s work

enforcing the District's beneficial owner disclosure requirements.²⁶ This may explain why DLCP has not adopted any of the changes Children's Law Center recommended to make its corporate filing forms clearer and encourage voluntary disclosure of complete and accurate beneficial ownership information.²⁷ In a meeting about those recommendations, DLCP staff indicated that while they were open to exploring changes to the forms, their ability to make them was limited by the agency's existing registration system. Therefore, Children's Law Center encourages the Committee to ask DLCP for an update on how it is "actively pursuing the procurement" of a new corporate registry system to fill this need and a timeline on when the agency realistically expects to implement a new system.²⁸ Additionally, the Committee should work with DLCP to ensure the system it procures will give DLCP the capacity to 1) require corporate filers to indicate which prong of beneficial owner each disclosed person falls under; 2) require filers to specify the percent of ownership interest held by anyone disclosed because they have a greater than 10% interest in the entity; and 3) make the information supplied in filings easily accessible and searchable by DLCP staff for compliance monitoring.

Finally, regarding the third recommendation, it is not clear to Children's Law Center what, if any, procedures are in place for DLCP and DOB to share information on corporate entities that develop, own, and manage residential properties in the District. It is vital that DLCP and DOB collaborate to hold slumlords accountable, as the Council intended when it enacted beneficial owner disclosure requirements.²⁹ For example, when multiple serious housing code violations go unabated at a property, DOB should work with DLCP to identify the property's true owners and all of the other properties they own in the District so DOB can target its proactive

housing code enforcement accordingly. In the interest of consumer protection, DLCP could also take steps to prevent that owner from operating as a housing provider in the District.³⁰

This Committee clearly understands the importance of corporate transparency in the District. DLCP needs to demonstrate that it does as well. DLCP must prioritize filling the new positions the Committee funded so it can fulfill its role in preventing bad actors from consistently flouting the District's laws to increase their profit margins at the expense of residents' health and safety.

Conclusion

Thank you for the opportunity to testify. I am happy to answer any questions from the Committee.

¹ Living in housing with substandard conditions is a consistent and strong predictor of emotional and behavioral problems in children and exposure to certain conditions, especially mold and pests, is closely associated with increased asthma prevalence and severity in children. See Levine Coley et. al., *Poor Quality Housing Is Tied to Children's Emotional and Behavioral Problems*, MacArthur Foundation: How Housing Matter (September 2013), <https://housingmatters.urban.org/sites/default/files/wp-content/uploads/2014/09/How-Housing-Matters-Policy-Research-Brief-Poor-Quality-Housing-Is-Tied-to-Childrens-Emotional-and-Behavioral-Problems.pdf>; Ganesh et. al., *The Relationship between Housing and Asthma Among School-Age Children*, Urban Institute (October 2017), https://www.urban.org/sites/default/files/publication/93881/the-relationshi-between-housing-and-asthma_2.pdf.

² 14 D.C.M.R. §§ 301, 400-999.

³ B22-0317, *Department of Consumer and Regulatory Affairs Omnibus Amendment Act of 2018*. This legislation was enacted as DC Law 22-0287 and became effective in 2019.

⁴ See Corporations: What We Do, DC Department of Licensing and Consumer Protection, <https://dlcp.dc.gov/page/corporations> ("The [DLCP] Business and Professional Licensing Administration's Corporations Division serves as the Office of Corporate Registrar for the District of Columbia. The Corporations Division registers all entities, domestic (DC) or foreign (organizations formed outside of DC) that conduct business in the District of Columbia.").

⁵ Makenna Osborn, Children's Law Center, Testimony Before the District of Columbia Council Committee on Public Works and Operations, (February 22, 2023), available at: <https://childrenslawcenter.org/wp-content/uploads/2023/02/DLCP-Performance-Oversight-CLC-Written-Testimony-with-Attachments-Final-2.21.23.pdf>; Makenna Osborn, Children's Law Center, Testimony Before the District of Columbia Council Committee on Public Works and Operations, (March 27, 2023),

available at: <https://childrenslawcenter.org/wp-content/uploads/2023/03/Childrens-Law-Center-Written-Testimony-DLCP-Budget-Oversight-03.24.23.pdf>.

⁶ See, e.g., Attachment A, Instruction Sheet for Articles of Organization for Domestic Limited Liability Company (LLC) and Articles of Organization for Domestic Limited Liability Company, Form DLC-1 (Ver. 9, September 2023), available at:

https://dlcp.dc.gov/sites/default/files/dc/sites/DLCP/publication/attachments/DLC-1%20Articles%20of%20Organization%20for%20Domestic%20Limited%20Liability%20Company_0.pdf

[Hereinafter Attachment A]; Attachment B, Instruction Sheet for Two-Year Report for Domestic & Foreign Filing Entity and Two-Year Report for Domestic & Foreign Filing Entity, Form BRA-25 (Ver. 8, September 2023), available at:

https://dlcp.dc.gov/sites/default/files/dc/sites/DLCP/publication/attachments/BRA-25%20Two-Year%20Report%20for%20Domestic%20%26%20Foreign%20Filing%20Entity_0.pdf

[Hereinafter Attachment B]. Corporations can also register their entity and file biennial reports online using DLCP's corporate registration web portal, CorpOnline, <https://corponline.dcrd.dc.gov/Home.aspx>.

⁷ Children's Law Center's innovative medical legal partnership, Healthy Together, places attorneys at primary care pediatric clinics throughout DC to receive referrals from pediatric providers when there is a non-medical barrier to a child's health and well-being. To learn more, visit:

<https://childrenslawcenter.org/our-impact/health/>.

⁸ Council of the District of Columbia, Committee on Public Works and Operations, Committee Report on the Fiscal Year 2024 Budget and Financial Plan for Agencies Under its Purview, p. 178-180, (May 9, 2023), available at: https://lims.dccouncil.gov/downloads/LIMS/52615/Committee_Report/B25-0203-Committee_Report6.pdf?Id=162494

[Hereinafter Committee Report on the Fiscal Year 2024 Budget].

⁹ D.C. Code § 29-102.01(a)(6), Entity Filing Requirements. D.C. Code § 29-102.11(a)(6), Biennial Report for Mayor.

¹⁰ Council of the District of Columbia, Committee of the Whole, Committee Report on B22-317, p. 5-6, (November 9, 2017), available at:

https://lims.dccouncil.gov/downloads/LIMS/38265/Committee_Report/B22-0317-CommitteeReport1.pdf

("Recent news stories have come to light that have shown that negligent landlords operate in the District under the protection of the District's LLC law. . . . The Committee is [also] aware of instances in which developers have been using multiple LLCs when unlawfully renovating houses in the District, also known as house flipping.").

¹¹ *Id.* at 5 ("By requiring disclosure of the ownership behind an LLC when one building is identified to be in poor condition, DCRA [now DOB] will be better able to pursue housing code enforcement at other buildings under the same ownership.").

¹² See Committee Report on the Fiscal Year 2024 Budget, *supra* note 8, at 179. See also Committee on Public Works and Operations, Performance Oversight Hearing, Brianne Nadeau, Chairperson (February 22, 2023), beginning at 1:30:24, available at:

https://dc.granicus.com/MediaPlayer.php?view_id=58&clip_id=8108.

¹³ Department of Licensing and Consumer Protection FY2023-2024 Performance Oversight Responses, response to Q59(d), p. 31, available at: <https://lims.dccouncil.gov/Hearings/hearings/275> [Hereinafter DLCP Performance Oversight Responses].

¹⁴ Children's Law Center has two primary concerns with the substance of the beneficial ownership information currently being represented as compliant by DLCP: 1) persons listed as beneficial owners do not meet the definition under the law and 2) entities are not providing full reporting of "each person" who is a beneficial owner.

1) We have reviewed a number of CorpOnline profiles where entities have listed a property management company or an executive at a property management company as a – and sometimes the only – beneficial owner. The agency indicated to Children’s Law Center that those would be appropriate disclosures because a property management company falls under the "control" prong of beneficial ownership. However, the law references control over the financial or operational decisions or ability to direct operations of *the entity*, meaning the corporation that owns the property, not the property itself. Therefore, if a property management company is not otherwise affiliated with the corporate owner, Children’s Law Center does not believe providing the service of property management makes that company or its executives a beneficial owner. Note that there are a number of companies in the District that develop, own, and manage residential properties. In some cases, they own and manage the property but in other cases, another entity owns and they only provide property management services. This can make assessing the accuracy of beneficial owner disclosures challenging but rather than simply accepting whatever an entity provides, DLCP must develop procedures for investigation these circumstances.

2) Regardless of whether property management companies meet the definition of beneficial owner, if they are the only beneficial owner(s) disclosed for an entity, that should be a red flag because everyone with a greater than 10% ownership interest in the entity should also be listed. Similarly, when a real estate investment firm is the only beneficial owner disclosed, DLCP should probe how their operations and financing to ascertain if there could be individual investors with a greater than 10% interest in a property. This is why Children’s Law Center suggests that DLCP’s filing and biennial reporting forms require entities to clearly indicate i) which category of beneficial owner is being reported under and ii) if they have an ownership interest, what percentage it is.

¹⁵ DLCP’s Consumer Protections Unit (CPU) is “a team of investigators who are dedicated to enforcing District regulations in many areas.” Consumer Protection Assistance, DC Department of Licensing and Consumer Protection, <https://dlcp.dc.gov/service/consumer-protection-and-education>. DLCP has suggested that our attorneys and other residents may alert DLCP to non-compliant beneficial owner disclosures through the CPU via their online complaint form:

<https://dcra.kustomer.help/contact/consumer-complaint-form-Sk6BW94Lu>.

¹⁶ CorpOnline, <https://corponline.dcra.dc.gov/Home.aspx>.

¹⁷ Public Performance Management, DC Department of Buildings: Business Process Analysis and Reengineering Assessment, Phase 1: BPR Preliminary Assessment, p. 10, (November 8, 2022; Submitted to the Council of the District of Columbia on April 12, 2023), *available at*:

<https://lms.dccouncil.gov/downloads/LIMS/52789/Introduction/RC25-0040-Introduction.pdf?Id=159732>.

¹⁸ Council of the District of Columbia, Committee of the Whole, *Report on the District’s Housing Code Inspection Process: Broken and in Need of Repair*, p. 21, (January 18, 2024), *available at*:

<https://lms.dccouncil.gov/Hearings/hearings/211>.

¹⁹ *See, e.g.*, Public Performance Management, DC Department of Buildings: Business Process Analysis and Reengineering Assessment, Phase 1: BPR Preliminary Assessment, p. 9, (November 8, 2022; Submitted to the Council of the District of Columbia on April 12, 2023), *available at*:

<https://lms.dccouncil.gov/downloads/LIMS/52789/Introduction/RC25-0040-Introduction.pdf?Id=159732>

(“[O]ther data elements required for tracking purposes (e.g., LLC beneficial owners) are obtained from the corporate registration system (CorpOnline).”).

²⁰ Committee Report on the Fiscal Year 2024 Budget, *supra* note 8, at 178.

²¹ *Id.* at 179-180.

²² DLCP Performance Oversight Responses, *supra* note 13, response to Q59(a), at 30.

²³ *Id.*

²⁴ See Committee Report on the Fiscal Year 2024 Budget, *supra* note 8 (publicly available in May 2023, over four months before the start of Fiscal Year 2024 on October 1, 2023).

²⁵ *Id.* at 51.

²⁶ DLCP Performance Oversight Responses, *supra* note 13, response to Q59(c), at 31.

²⁷ Last year, Children’s Law Center recommended that DLCP amend the content, organization, and functionality of their filing and biennial reporting forms (both PDF and web portal) to:

- “clearly distinguish between and provide separate space for the two prongs of beneficial owners: 1) persons with a greater than 10% interest in the entity and 2) persons with an interest of 10% or less, who have sufficient control over the entity;”
- require submission of both a residence and business address for each beneficial owner; and
- “require[e] filers to indicate each owner’s interest level in the entity, for those above 10%, and affirmatively certify that none of the remaining interest levels exceed 10%.”

Makenna Osborn, Children’s Law Center, Testimony Before the District of Columbia Council Committee on Public Works and Operations, p. 4, (February 22, 2023), *available at*: <https://childrenslawcenter.org/wp-content/uploads/2023/02/DLCP-Performance-Oversight-CLC-Written-Testimony-with-Attachments-Final-2.21.23.pdf>. A review of the currently available forms, last updated in September 2023, indicates that DLCP has not adopted any of the recommendations. See Attachment A; Attachment B.

²⁸ DLCP Performance Oversight Responses, *supra* note 13, response to Q59(b) and (c), at 31.

²⁹ See Council of the District of Columbia, Committee of the Whole, Committee Report on B22-317, p. 5-6, (November 9, 2017), *available at*:

https://lims.dccouncil.gov/downloads/LIMS/38265/Committee_Report/B22-0317-CommitteeReport1.pdf.

³⁰ For example, the Council is currently considering legislation that would authorize DLCP to “deny new basic business licenses and building permits to rental property owners who neglect their properties.” B25-0574, *Do Right by DC Tenants Amendment Act of 2023*, *available at*:

<https://lims.dccouncil.gov/downloads/LIMS/54285/Introduction/B25-0574-Introduction.pdf?Id=180307>.

Attachment A



WE ARE WASHINGTON
GOVERNMENT OF THE DISTRICT OF COLUMBIA
DC MURIEL BOWSER, MAYOR

District of Columbia Government Corporations Division

Instruction Sheet for Articles of Organization for Domestic Limited Liability Company (LLC) Form DLC-1, Ver. 9, September 2023

Use this instruction to draft articles of organization for your LLC; or use the Articles of Organization on page 2. This will establish your new Limited Liability Company in the District of Columbia.

ENTITY TYPE / AUTHORITY	FILING FEE
Domestic Limited Liability Company: § 29-802.01. & 29-102.01	Refer to Corporate Fee Schedule posted online;

- Name of the limited liability company. The name of a limited liability company other than a professional limited liability company shall contain the words "limited liability company" or "limited company" or the abbreviation "L.L.C.", "LLC", "L.C." or "LC".
The name of a professional limited liability company shall contain the words "professional limited liability company" or the abbreviation "P.L.L.C." or "PLLC". Provide description of professional service under Item 6.
- The street address of the initial principal office.
- Registered Agent's name and address in the District Columbia.
- Statement that the limited liability company has at least one member.
- Effective date of the articles. If no date is selected (date must be current date or up to 90 days in advance but not in the past) then filing date becomes the effective date.
- Miscellaneous provisions.
Additional details and optional provisions may be included in this section such as organization's purpose (for PLLCs) or series LLC language as shown below:
 - "If the company will have one or more series that is treated as a separate entity which limits the debts, obligations, and other liabilities to the assets of a particular series as provided in the operating agreement as authorized by § 29-802.06, a statement to that effect."
 - For PLLCs include the specific professional service that must be one of the following: any type of personal service to the public which may be lawfully rendered only pursuant to a license and including the services performed by certified public accountants, attorneys, architects, health professionals as defined under D.C. Law 6-99; D.C. Official Code § 3-1201.01(8), and professional engineers.
- State the names, residence and business addresses of each person (member and manager) whose aggregate share of direct or indirect, legal or beneficial ownership of a governance or total distributional interest of the entity:
 - Exceeds 10 percent; or
 - Does not exceed 10 percent; provided, that the person:
 - Controls the financial or operational decisions of such entity; or
 - Has the ability to direct the day-to-day operations of such entity."
- Organizer's name, address, signature and date.

Mail all forms and required payment to:

Department of Licensing and Consumer Protection
Corporations Division
PO Box 712300
Philadelphia, PA 19171-2300
Phone: (202) 442-4432

Many corporate filings are available online.

Go to our CorpOnline site at <https://corponline.dlcp.dc.gov> and sign in with Access DC to proceed.

Online filings are paid by credit card.



**District of Columbia Government
Corporations Division**

**Articles of Organization for Domestic Limited Liability Company
Form DLC-1, Ver. 9, September 2023**

One or more persons acting as the organizers under the provisions of the Title 29 of D.C. Code (Business Organizations Act) adopt the following Articles of Organization:

- 1. Company name
- 2. The street address of the initial principal office
- 3. Registered agent's name and address in the District of Columbia
- 4. The limited liability company has at least one member.
- 5. Effective date
- 6. Miscellaneous provisions (Include Language about Series LLC and Professional Service Description for PLLCs if applicable)
- 7. State the names and addresses of each person (member and manager) that has interest or control over this company (review instruction sheet for more information)

If you sign this form you agree that anyone who makes a false statement can be punished by criminal penalties of a fine up to \$1000, imprisonment up to 180 days, or both, under DCOC § 22-2405;

8. Organizer's Name & Address	8A. Organizer's Signature and Date
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Mail all forms and required payment to:
Department of Licensing and Consumer Protection
Corporations Division
PO Box 712300
Philadelphia, PA 19171-2300
Phone: (202) 442-4432

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Attachment B



District of Columbia Government Corporations Division

Form BRA-25. Ver. 8, September 2023 Instruction Sheet for Two-Year Report for Domestic & Foreign Filing Entity.

Who needs to file this report?

All domestic (District) or foreign (non-District) filing entity that conducts business in the District of Columbia and that registered with Corporation Division.

Filing entity includes nonprofit and for-profit corporation, limited liability company, limited partnership, limited liability partnership, general cooperative association, limited cooperative association and statutory trust.

When should this report be filed?

The 1st biennial report shall be delivered for filing by April 1 of the year following the calendar year in which the domestic filing entity was formed or the foreign filing entity registered to do business in the District. Subsequent biennial reports shall be delivered by April 1st of each 2nd calendar year thereafter.

Existing domestic filing entities and qualified foreign entities should file subsequent reports every two years from the year of the last report filed.

What are the filing fees?

Refer to Corporate Fee Schedule posted online.

What are the late fees and/or penalties for not filing on time?

Refer to Corporate Fee Schedule posted online. Late fees will be assessed to all filers that file after April 1st. Refer to specific corporate entity type under fee schedule to determine the fee amount.

Do I have to file this report even if I do not get notice from Corporations division?

Failure to receive a report form does not relieve a domestic or foreign filing entity of the responsibility to file and pay on time.

How can I file this biennial report?

All filers are encouraged to file at Corponline site at <https://corponline.dcr.dc.gov>. Refer to Corporate Online Service Information below for more information.

This report can also be filed in person by visiting Business License Center at 1100 4th St., SW, 2nd Floor, Washington, DC 20024. Please, note that walk-in customers will be assessed expedited fee for same day service. Refer to fee schedule for more information.

Mail all forms and required payment to:

Department of Licensing and Consumer Protection
Corporations Division
PO Box 712300
Philadelphia, PA 19171-2300
Phone: (202) 442-4432

Many corporate filings are available online.

Go to our CorpOnline site at <https://corponline.dlcp.dc.gov> and sign in with Access DC to proceed.

Online filings are paid by credit card.



WE ARE WASHINGTON
GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

District of Columbia Government
Corporations Division

Form BRA-25. Ver. 8, September 2023.
Instruction Sheet for Two-Year Report for Domestic & Foreign Filing Entity.

Step-By-Step Guide:

Indicate file number if known; indicate the year of filing, date of filing and filing fee.

Item 1

Indicate the name of the domestic or foreign filing entity.

Item 2

Indicate the state of formation.

Item 3

Indicate the principal address of the domestic or foreign filing entity.

Item 4

Indicate the name and address of current registered agent as recorded with Corporations Division; if agent's information is not correct, indicate the name of the new agent.

Item 5

Provide brief statement of business or affairs conducted in the District of Columbia; do not use "any lawful business" or similar statement – be specific.

Item 6

Item 10. State the names, residence and business addresses of each person (member, manager, officer, director, shareholder, partner, trustee, etc.) whose aggregate share of direct or indirect, legal or beneficial ownership of a governance or total distributional interest of the entity:

(A) Exceeds 10 percent; or

(B) Does not exceed 10 percent; provided, that the person:

(i) Controls the financial or operational decisions of such entity; or

(ii) Has the ability to direct the day-to-day operations of such entity."

Item 7

In the case of a qualified foreign entity, a statement that the entity is in good standing in its state of formation or, if the entity is not in good standing, a description of the efforts of the entity to bring itself into good standing.

Item 8

Sign this report; select and indicate the name of the governor or authorized person that executes this report.

Mail all forms and required payment to:

Department of Licensing and Consumer Protection
Corporations Division
PO Box 712300
Philadelphia, PA 19171-2300
Phone: (202) 442-4432

Many corporate filings are available online.

Go to our CorpOnline site at <https://corponline.dlcp.dc.gov> and sign in with Access DC to proceed.

Online filings are paid by credit card.



District of Columbia Government Corporations Division

Form BRA-25. Ver. 8, September 2023 Two-Year Report for Domestic & Foreign Filing Entity.

Use this form to file a two-year report for a domestic or foreign filing entity as required under § 29-102.11.

Year of Filing:
File Number:
Date of Filing:
Filing Fee:

Under the provisions of the Title 29 of D.C. Code (Business Organizations Act), the domestic or foreign filing entity listed below is filing its biannual report and for that purpose submits the statement below.

1. Entity Name

2. Organized under the laws of which state or country

3. Address of principal office

4. Name of Registered Agent and address of registered office in DC

5. Brief statement of business affairs conducted in DC

6. State the names and addresses of each person (member, manager, officer, director, shareholder, partner, trustee, etc.) that has interest or control over this entity (review instruction sheet for more information)

7. Is foreign filing entity in good standing in state / country where it is organized?
Yes No

If you sign this form you agree that anyone who makes a false statement can be punished by criminal penalties of a fine up to \$1000, imprisonment up to 180 days, or both, under DCOC § 22-2405;

8. Name of the Governor or Authorized Person

8A. Signature of the Governor or Authorized Person

Mail all forms and required payment to: Department of Licensing and Consumer Protection Corporations Division PO Box 712300 Philadelphia, PA 19171-2300 Phone: (202) 442-4432

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