

Is There Any Repose For A Dissolved Nevada Corporation?

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NRS 78.585 bars any cause of action against a dissolved Nevada corporation or its directors, officers, or stockholders if it is commenced within:

- Two years after the date of the dissolution with respect to any cause of action in which the plaintiff learns, or in the exercise of reasonable diligence should have learned of, the underlying facts on or before the date dissolution, or
- Three years after the date of dissolution with respect to any other cause of action.

Chief Judge [Miranda M. Du](#) concluded that NRS 78.585 is a statute of repose, rather than a statute of limitations. Accordingly, it provides an absolute time bar on post-dissolution actions after three years regardless of when defects were discovered or the statutes of limitation applicable to underlying causes of action. *Urb. Outfitters, Inc. v. Dermody Operating Co., LLC*, No. 321CV00109MMDCLB, 2023 WL 9284776 (D. Nev. Dec. 7, 2023). In her ruling, Judge Du distinguished California's approach to dissolution:

California's statutory scheme regarding corporate dissolution is different from Nevada's in significant ways. Most notably, California does not set time limits on suits brought against a dissolved corporation, instead expressly considering remaining corporate assets. See Cal. Corp. Code §§ 2010-2011.

It remains to be seen whether Judge Du's conclusion is the last word on the question. Last March, she granted a motion to certify her ruling for appeal. 2024 WL 915325 (D. Nev. Mar. 4, 2024).

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