

Original sponsor: Colletta

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1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 354
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to limited liability companies."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 10 is amended by adding a new chapter to read:

9 CHAPTER 50. LIMITED LIABILITY COMPANY ACT.

10 Sec. 10.50.010. DECLARATION OF PURPOSE. Limited liability com-
11 panies may be organized under this chapter for any lawful purpose,
12 except for the purpose of banking or insurance.

13 Sec. 10.50.020. POWERS. Each limited liability company organized
14 and existing under this chapter may:

- 15 (1) sue and be sued, complain and defend, in its name;
16 (2) purchase, take, receive, lease or otherwise acquire, own,
17 hold, improve, use and otherwise deal in and with, real or personal
18 property, or an interest in it, wherever situated;
19 (3) sell, convey, mortgage, pledge, lease, exchange, transfer
20 and otherwise dispose of all or any part of its property and assets;
21 (4) lend money to and otherwise assist its members;
22 (5) purchase, take, receive, subscribe for or otherwise
23 acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or
24 otherwise dispose of, and otherwise use and deal in and with, shares or
25 other interests in or obligations of, other limited liability companies,
26 domestic or foreign corporations, associations, general or limited
27 partnerships or individuals, or direct or indirect obligations of the
28 United States or of any government, state, territory, governmental
29 district or municipality or of any instrumentality of it;

1 (6) make contracts and guarantees and incur liabilities,
2 borrow money at such rates of interest as the limited liability company
3 may determine, issue its notes, bonds and other obligations, and secure
4 any of its obligations by mortgage or pledge of all or any part of its
5 property, franchises and income;

6 (7) lend money for its proper purposes, invest and reinvest
7 its funds, and take and hold real property and personal property for the
8 payment of funds so loaned or invested;

9 (8) conduct its business, carry on its operations, and have
10 and exercise the powers granted by this chapter in any state, territory,
11 district or possession of the United States, or in any foreign country;

12 (9) elect or appoint managers and agents of the limited
13 liability company, and define their duties and fix their compensation;

14 (10) make and alter the operating agreement, not inconsistent
15 with its articles of organization or with the laws of this state, for
16 the administration and regulation of the affairs of the limited lia-
17 bility company;

18 (11) indemnify a member or manager or former member or manager
19 of the limited liability company against expenses actually and reason-
20 ably incurred by him or it in connection with the defense of an action,
21 suit or proceeding, civil or criminal, in which he or it is made a party
22 by reason of being or having been such member or manager, except in
23 relation to matters as to which he or it shall be adjudged in the
24 action, suit or proceeding to be liable for negligence or misconduct in
25 the performance of duty; and to make any other indemnification that is
26 authorized by the articles of organization or by an article of the
27 operating agreement or resolution adopted by the members after notice;

28 (12) cease its activities and surrender its certificate of
29 existence;

1 (13) have and exercise all powers necessary or convenient to
2 effect any or all of the purposes for which the limited liability
3 company is organized;

4 (14) become a member of a general partnership, limited partner-
5 ship, joint venture or similar association, or any other limited liabil-
6 ity company.

7 Sec. 10.50.030. LIMITED LIABILITY COMPANY NAME. (a) The word
8 "limited" or as abbreviated "Ltd." shall be the last word of the name of
9 every limited liability company formed under the provisions of this
10 chapter and, in addition, the limited liability company name may not

11 (1) contain a word or phrase which indicates or implies that
12 it is organized for a purpose other than one or more of the purposes
13 contained in its articles of organization;

14 (2) be the same as, or deceptively similar to, the name of a
15 limited liability company or corporation existing under the laws of this
16 state or a foreign corporation authorized to transact business in this
17 state, or a name the exclusive right to which is, at the time, reserved
18 in the manner provided under the laws of this state.

19 (b) Omission of the word "limited" in the use of the name of the
20 limited liability company shall render any person who participates in
21 the omission, or knowingly acquiesces in it, liable for indebtedness,
22 damage or liability occasioned by the omission.

23 (c) The identification "a limited liability company" shall appear
24 after the name of the limited liability company on all correspondence,
25 stationery, checks, invoices and any and all documents and papers
26 executed by the limited liability company.

27 Sec. 10.50.040. FORMATION. Two or more persons may form a limited
28 liability company by signing, verifying and delivering in duplicate to
29 the commissioner articles of organization for such limited liability

1 company. If one or more of the persons is an individual, he shall be at
2 least 19 years of age.

3 Sec. 10.50.050. ARTICLES OF ORGANIZATION. (a) The articles of
4 organization shall set out

5 (1) the name of the limited liability company;

6 (2) the period of its duration, which may not exceed 40 years
7 from the date of filing with the commissioner;

8 (3) the purpose for which the limited liability company is
9 organized;

10 (4) the address of its initial registered office in the state
11 and the name and address of its initial registered agent in the state;

12 (5) the total amount of cash and a description and agreed
13 value of property other than cash contributed;

14 (6) the total additional contributions, if any, agreed to be
15 made by all members and the times at which or events upon the happening
16 of which they shall be made;

17 (7) the right, if given, of the members to admit additional
18 members, and the terms and conditions of the admission;

19 (8) the right, if given, of the remaining members of the
20 limited liability company to continue the business on the death, retire-
21 ment, resignation, expulsion, bankruptcy or dissolution of a member or
22 occurrence of any other event which terminates the continued membership
23 of a member in the limited liability company;

24 (9) if the limited liability company is to be managed by a
25 manager or managers, the articles of organization shall so state and
26 shall set out the names and addresses of such manager or managers who
27 are to serve as managers until the first annual meeting of members or
28 until their successors are elected and qualify; if the management of a
29 limited liability company is reserved to the members, the names and

1 addresses of the members shall be set out in the articles of organiza-
2 tion;

3 (10) any other provision, not inconsistent with law, which the
4 members elect to set out in the articles of organization for the regu-
5 lation of the internal affairs of the limited liability company, includ-
6 ing any provisions which under this chapter are required or permitted to
7 be set out in the operating agreement of the limited liability company.

8 (11) the name and address of each member who is a non-
9 resident alien or corporation whose place of incorporation is outside
10 the United States, and the amount or value of that members contri-
11 butions.

12 (b) It shall not be necessary to set out in the articles of
13 organization any of the powers enumerated in this chapter.

14 Sec. 10.50.060. FILING OF ARTICLES OF ORGANIZATION. (a) Dupli-
15 cate originals of the articles of organization shall be delivered to the
16 commissioner. If the commissioner finds that the articles of organiza-
17 tion conforms to law, he shall, when all fees have been paid, as in this
18 chapter prescribed

19 (1) endorse on each of the duplicate originals the word
20 "Filed" and the month, day and year of the filing thereof;

21 (2) file one of the duplicate originals in his office;

22 (3) issue a certificate of existence to which he shall affix
23 the other duplicate original;

24 (b) The certificate of existence, together with a duplicate origi-
25 nal of the articles of organization affixed to it by the commissioner,
26 shall be returned to the registered office of the limited liability
27 company.

28 Sec. 10.50.070. EFFECT OF ISSUANCE OF CERTIFICATE OF EXISTENCE.

29 (a) Upon the issuance of the certificate of existence, the limited

1 liability company shall be considered organized, and such certificate of
2 existence shall be conclusive evidence that all conditions precedent
3 required to be performed by the members have been complied with and that
4 the limited liability company has been legally organized under this
5 chapter, except as against this state in a proceeding to cancel or
6 revoke the certificate of existence or for involuntary dissolution of
7 the limited liability company.

8 (b) A limited liability company shall not transact business or
9 incur indebtedness, except that which is incidental to its organization
10 or to obtaining subscriptions for or payment of contributions, until the
11 commissioner has issued a certificate of existence.

12 Sec. 10.50.080. CONTRIBUTIONS TO CAPITAL. The contributions to
13 capital by a member to the limited liability company may consist of cash
14 or other property, but not services.

15 Sec. 10.50.090. MANAGEMENT OF LIMITED LIABILITY COMPANY. Manage-
16 ment of the limited liability company shall be vested in its members in
17 proportion to their contribution to the capital of the limited liability
18 company, as adjusted from time to time to properly reflect any addi-
19 tional contributions or withdrawals by the members. However, if pro-
20 vision is made for it in the articles of organization, management of the
21 limited liability company may be vested in a manager or managers who
22 shall be elected by a majority in interest of the members in the manner
23 prescribed by the operating agreement of the limited liability company.
24 If the articles of organization provide for the management of the
25 limited liability company by a manager or managers, they shall be
26 elected annually by the members in a manner provided in the operating
27 agreement. The manager or managers shall also hold the office and have
28 the responsibilities accorded to them by the members and set out in the
29 operating agreement of the limited liability company.

1 Sec. 10.50.100. CONTRACTING DEBTS. Except as otherwise provided
2 in this chapter, no debt shall be contracted or liability incurred by or
3 on behalf of a limited liability company, except by one or more of its
4 managers if management of the limited liability company has been vested
5 by the members in a manager or managers, or if management of the limited
6 liability company is retained by the members, then by any member.

7 Sec. 10.50.110. LIMITED LIABILITY COMPANY PROPERTY. Real and
8 personal property owned or purchased by a limited liability company
9 shall be held and owned, and conveyance made, in the limited liability
10 company name, or in the name of any member or manager. Instruments and
11 documents providing for the acquisition, mortgage or disposition of
12 property of the limited liability company shall be valid and binding
13 upon the limited liability company if executed by one or more managers
14 of a limited liability company having a manager or managers or one or
15 more members of a limited liability company in which management has been
16 retained by the members.

17 Sec. 10.50.120. ACTIONS BY AND AGAINST LIMITED LIABILITY COMPANY;
18 SERVICE OF PROCESS. (a) A limited liability company shall sue and be
19 sued, complain and defend, in its limited liability company name, and
20 when an action is brought against a limited liability company, service
21 may be made upon a manager of a limited liability company managed by a
22 manager or managers or upon a member of a limited liability company in
23 which management has been retained by the members or upon the registered
24 agent.

25 (b) When a limited liability company fails to appoint or maintain
26 a registered agent in the state, or when its registered agent cannot
27 with reasonable diligence be found at the registered office, the com-
28 missioner is an agent of the limited liability company upon whom the
29 process, notice, or demand may be served. Service is made upon the

1 commissioner as agent by leaving with him, or with a clerk having charge
2 of the limited liability company department of his office, duplicate
3 copies of the process, notice or demand. When the process, notice or
4 demand is served on the commissioner, he shall immediately forward a
5 copy of it by registered mail to the limited liability company at its
6 registered office. Service on the commissioner is returnable in not
7 less than 30 days.

8 Sec. 10.50.130. LIABILITY OF MEMBERS AND MANAGERS. Neither the
9 members of a limited liability company nor the managers of a limited
10 liability company managed by a manager or managers are liable under a
11 judgment, decree or order of a court, or in any other manner, for a
12 debt, obligation or liability of the limited liability company.

13 Sec. 10.50.140. DIVISION OF PROFITS; IMPAIRMENT OF CAPITAL. The
14 limited liability company may, from time to time, divide the profits of
15 its business and distribute the same to the members of the limited
16 liability company upon the basis stipulated in the operating agreement,
17 provided that after distribution is made the assets of the limited
18 liability company must be in excess of all liabilities of the limited
19 liability company except liabilities to members on account of their
20 contributions.

21 Sec. 10.50.150. WITHDRAWAL OR REDUCTION OF MEMBERS' CONTRIBUTIONS
22 TO CAPITAL. (a) A member shall not receive out of limited liability
23 company property any part of his or its contribution to capital until
24

25 (1) all liabilities of the limited liability company, except
26 liabilities to members on account of their contributions to capital,
27 have been paid or there remains property of the limited liability
28 company sufficient to pay them;

29 (2) the consent of all members is had, unless the return of
the contribution to capital may be rightfully demanded as provided in

1 this chapter;

2 (3) the certificate of existence is cancelled or the articles
3 of organization so amended as to set out the withdrawal or reduction;

4 (b) Subject to the provisions of (a) of this section, a member may
5 rightfully demand the return of his or its contribution

6 (1) on the dissolution of the limited liability company, or

7 (2) after the member has given all other members of the
8 limited liability company six months prior notice in writing, if no time
9 is specified in the articles of organization for the dissolution of the
10 limited liability company.

11 (c) In the absence of a statement in the articles of organization
12 to the contrary or the consent of all members of the limited liability
13 company, a member, irrespective of the nature of his or its contribu-
14 tion, has only the right to demand and receive cash in return for his or
15 its contribution to capital.

16 (d) A member of a limited liability company may have the limited
17 liability company dissolved and its affairs wound up when

18 (1) the member rightfully but unsuccessfully has demanded the
19 return of his or its contribution, or

20 (2) the other liabilities of the limited liability company
21 have not been paid, or the limited liability company property is in-
22 sufficient for their payment and the member would otherwise be entitled
23 to the return of his or its contribution.

24 Sec. 10.50.160. LIABILITY OF MEMBER TO LIMITED LIABILITY COMPANY.

25 (a) A member is liable to the limited liability company

26 (1) for the difference between his or its contributions to
27 capital as actually made and his or its contributions to capital as
28 stated in the articles of organization as having been made, and

29 (2) for any unpaid contribution to capital which he or it

1 agreed to make in the future at the time and on the conditions stated in
2 the articles of organization.

3 (b) A member holds as trustee for the limited liability company

4 (1) specific property stated in the articles of organization
5 as contributed by such member, but which was not contributed or which
6 has been wrongfully returned, and

7 (2) money or other property wrongfully paid or conveyed to
8 such member on account of his or its contribution.

9 (c) The liabilities of a member as set out in this section can be
10 waived or compromised only by the consent of all members; but a waiver
11 or compromise shall not affect the right of a creditor of the limited
12 liability company who extended credit or whose claim arose after the
13 filing and before a cancellation of the certificate of existence or
14 amendment of the articles of organization, to enforce the liabilities.

15 (d) When a contributor has rightfully received the return in whole
16 or in part of the capital of his or its contribution, the contributor is
17 nevertheless liable to the limited liability company for any sum, not in
18 excess of the return with interest, necessary to discharge its liability
19 to all creditors of the limited liability company who extended credit or
20 whose claims arose before the return.

21 Sec. 10.50.170. INTEREST IN LIMITED LIABILITY COMPANY; TRANSFER-
22 ABILITY OF INTEREST. The interest of each member in a limited liability
23 company constitutes the personal estate of the member, and may be
24 transferred or assigned as provided in the operating agreement; however,
25 if all of the other members of the limited liability company other than
26 the member proposing to dispose of his or its interest do not approve of
27 the proposed transfer or assignment by unanimous written consent, the
28 transferee of the member's interest shall have no right to participate
29 in the management of the business and affairs of the limited liability

1 company, or to become a member, but shall only be entitled to receive
2 the share of profits or other compensation by way of income, and the
3 return of contributions, to which that member would otherwise be en-
4 titled.

5 Sec. 10.50.180. DISSOLUTION. (a) A limited liability company
6 organized under this chapter shall be dissolved upon the occurrence of
7 any of the following events:

8 (1) when the period fixed for the duration of the limited
9 liability company shall expire;

10 (2) by the unanimous written agreement of all members; or

11 (3) upon the death, retirement, resignation, expulsion, bank-
12 ruptcy, dissolution of a member or occurrence of any other event which
13 terminates the continued membership of a member in the limited liability
14 company, unless the business of the limited liability company is recon-
15 stituted by the consent of all the remaining members under a right to do
16 so stated in the articles of organization of the limited liability
17 company.

18 (b) As soon as possible, and no later than 90 days following the
19 occurrence of any of the events specified in (a)(2) or (3) of this
20 section effecting the dissolution of the limited liability company, the
21 limited liability company shall execute a statement of intent to dis-
22 solve in such form as shall be prescribed by the commissioner, which
23 statement shall be executed in duplicate by the limited liability com-
24 pany and filed in the office of the commissioner. Upon the filing by
25 the commissioner of a statement of intent to dissolve, the limited
26 liability company shall cease to carry on its business, except insofar
27 as may be necessary for the winding up of its business, but its separate
28 existence shall continue until a certificate of dissolution has been
29 issued by the commissioner or until a decree dissolving the limited

1 liability company has been entered by a court of competent jurisdiction.

2 Sec. 10.50.190. DISSOLUTION BY THE COMMISSIONER. The commissioner
3 has the power to involuntarily dissolve a company formed under the
4 provisions of this chapter for

5 (1) failure to continually maintain a registered agent or
6 office;

7 (2) failure to notify the commissioner within 30 days of a
8 change in registered agent or office;

9 (3) delinquency of more than six months in paying fees,
10 taxes or penalties prescribed by this chapter;

11 (4) failure to file articles of dissolution within one year
12 or such longer period that may be granted upon application, but in no
13 event more than two years, after filing statement of intent to dissolve;

14 (5) failure to file its annual report within the time re-
15 quired by this chapter.

16 Sec. 10.50.200. EXECUTION OF ARTICLES OF DISSOLUTION. If the
17 company has been dissolved by the occurrence of an event set out in sec.
18 180(a)(2) or (3) of this chapter, when all the debts, liabilities and
19 obligations of the company have been paid and discharged, or adequate
20 provision has been made for payment, and all the remaining property and
21 assets of the company have been distributed to its members, articles of
22 dissolution shall be executed in duplicate by the company by its manager
23 or by a member if management is reserved to the members, and verified by
24 a person signing the articles. The articles of dissolution shall set
25 out

26 (1) the name of the company;

27 (2) that the commissioner has filed a statement of intent to
28 dissolve the company, and the date on which the statement was filed;

29 (3) that all debts, obligations and liabilities of the

1 company have been paid and discharged or that adequate provision has
2 been made for payment;

3 (4) that the remaining property and assets of the company
4 have been distributed among its members in accordance with their respec-
5 tive rights and interests;

6 (5) that there are no suits pending against the company, or
7 that adequate provision has been made for the satisfaction of a judg-
8 ment, order or decree which may be entered against the company in a
9 pending suit.

10 Sec. 10.50.210. FILING OF ARTICLES OF DISSOLUTION. (a) Duplicate
11 originals of the articles of dissolution shall be delivered to the com-
12 missioner. If the commissioner finds that the articles of dissolution
13 conform to law, he shall, when all fees and taxes prescribed in this
14 chapter have been paid,

15 (1) endorse on each duplicate original the word "filed" and
16 the date of filing;

17 (2) file one duplicate original in his office;

18 (3) issue a certificate of dissolution and affix the other
19 duplicate original to it.

20 (b) The certificate of dissolution, together with the duplicate
21 original of the articles of dissolution affixed shall be returned to the
22 representative of the dissolved company.

23 Sec. 10.50.220. EFFECT OF CERTIFICATE OF DISSOLUTION. Upon the
24 issuance of the certificate of dissolution, the existence of the company
25 ceases, except for the purpose of suits, other proceedings, and appro-
26 priate action by members or managers as provided in this chapter.

27 Sec. 10.50.230. DISTRIBUTION OF ASSETS UPON DISSOLUTION. (a) In
28 settling accounts after dissolution, the liabilities of the limited
29 liability company shall be entitled to payment in the following order:

1 (1) those to creditors, in the order of priority as provided
2 by law, except those to members of the limited liability company on
3 account of their contributions;

4 (2) those to members of the limited liability company in
5 respect of their share of the profits and other compensation by way of
6 income on their contributions; and

7 (3) those to members of the limited liability company in
8 respect of their contributions to capital.

9 (b) Subject to any statement in the operating agreement, members
10 share in the limited liability company assets in respect to their claims
11 for capital, and in respect to their claims for profits or for compensa-
12 tion by way of income on their contributions, respectively, in propor-
13 tion to the respective amounts of the claims.

14 Sec. 10.50.240. CANCELLATION OF CERTIFICATE OF EXISTENCE AND
15 AMENDMENT OF ARTICLES OF ORGANIZATION. (a) The certificate of exis-
16 tence shall be cancelled by the commissioner when the limited liability
17 company is dissolved.

18 (b) The articles of organization shall be amended when

19 (1) there is a change in the name of the limited liability
20 company or in the amount or the character of the contributions to
21 capital;

22 (2) there is a change in the character of the business of the
23 limited liability company;

24 (3) there is a false or erroneous statement in the articles
25 of organization;

26 (4) there is a change in the time as stated in the articles
27 of organization for the dissolution of the limited liability company;

28 (5) a time is fixed for the dissolution of the limited
29 liability company if no time is specified in the articles of organiza-

1 tion; or

2 (6) the members desire to make a change in any other state-
3 ment in the articles of organization in order that it shall accurately
4 represent the agreement between them.

5 (c) The form for evidencing an amendment to the articles of
6 organization of a limited liability company shall be promulgated by the
7 commissioner and shall contain terms and provisions, consistent with
8 this chapter, which the commissioner determines. Duplicate originals of
9 the amendment shall be forwarded to the commissioner for filing, accom-
10 panied by the requisite filing fee.

11 Sec. 10.50.250. PARTIES TO ACTIONS. A member of a limited liabil-
12 ity company is not a proper party to proceedings by or against a limited
13 liability company, except when the object is to enforce a member's right
14 against or liability to the limited liability company.

15 Sec. 10.50.260. WAIVER OF NOTICE. When, under the provisions of
16 this chapter or under the provisions of the articles of organization or
17 operating agreement of a limited liability company, notice is required
18 to be given to a member or to a manager of a limited liability company
19 having a manager or managers, a waiver in writing signed by the person
20 or persons entitled to the notice, whether before or after the time
21 stated in it, is equivalent to the giving of notice.

22 Sec. 10.50.270. FEES FOR FILING DOCUMENTS AND ISSUING CERTIFICATES.
23 The commissioner shall charge and collect for

24 (1) filing the original articles of organization, if the
25 capital of the limited liability company is:

<u>Capital</u>	<u>Filing Fee</u>
Not in excess of \$100,000	\$ 100
In excess of \$100,000 but not in excess of \$250,000	\$ 250

1 In excess of \$250,000 but not

2 in excess of \$500,000 \$ 500

3 In excess of \$500,000 but not

4 in excess of \$1,000,000 \$ 750

5 In excess of \$1,000,000 \$1,000;

6 (2) for amending the articles of organization, a filing fee
7 of \$25, together with the appropriate fee set out in (1) of this section
8 if the amendment is to increase the amount of capital;

9 (3) for filing statement of intent to dissolve, \$25;

10 (4) an annual tax of \$100, due and payable January 2 of each
11 year; this tax is delinquent if not paid by February 1 and an addition
12 to the tax shall then be due of \$50;

13 (5) for filing change of registered office or agent, \$10.

14 Sec. 10.50.280. ANNUAL REPORT. Each company formed under the
15 provisions of this chapter shall file an annual report within the time
16 prescribed by this chapter.

17 Sec. 10.50.290. CONTENTS OF ANNUAL REPORT. The annual report
18 shall set out

19 (1) the name of the company;

20 (2) the address of the registered office of the company in
21 the state, and the name of its registered agent in the state at that
22 address;

23 (3) a brief statement of the character of the business in
24 which the company is engaged in the state;

25 (4) the names and addresses of the managers of the company if
26 management of the company is in a manager or managers, or if management
27 is reserved to the members, the names and addresses of the members;

28 (5) a statement of the total capital contributed to the
29 company;

1 (6) a statement of whether this amount of capital contributed
2 has changed since the last annual report;

3 (7) the name and address of each member who is a non-
4 resident alien or corporation whose place of incorporation is outside
5 the United States, and the amount or value of that member's contributions.

6 Sec. 10.50.300. FILING OF ANNUAL REPORT. (a) The annual report
7 of a company shall be delivered to the commissioner between January 2
8 and February 1 of each year. However, the first annual report of a
9 company shall be filed between January 2 and February 1 of the year
10 succeeding the calendar year in which its certificate of existence was
11 issued by the commissioner.

12 (b) Proof to the satisfaction of the commissioner that before
13 February 1 the report was deposited in the United States mail in a
14 sealed envelope, properly addressed, with postage prepaid, is compliance
15 with (a) of this section.

16 (c) If the commissioner finds that the report conforms to the
17 requirements of this chapter, he shall file it. If he finds that it
18 does not conform to the requirements of this chapter, he shall promptly
19 return it to the company for necessary corrections. If the report is
20 corrected to conform to the requirements of this chapter and returned to
21 the commissioner in sufficient time to be filed before March 1 of the
22 year in which it is due, the penalties for failure to file the report
23 within the time provided do not apply.

24 (d) Each company organized under this chapter that fails or re-
25 fuses to file its annual report within the time prescribed is subject to
26 a penalty of \$100 for each year or part thereof the company is delinquent
27 in filing.

28 Sec. 10.50.310. UNAUTHORIZED ASSUMPTION OF POWERS. All persons
29 who assume to act as a limited liability company without authority to do

1 so shall be jointly and severally liable for all debts and liabilities
2 incurred or arising as a result of that action.

3 Sec. 10.50.320. REGISTERED AGENT. A limited liability company is
4 required at all times to have a registered agent whose residence is in
5 the state. The commissioner shall be notified upon any change in the
6 name or address of the registered agent.

7 Sec. 10.50.330. CHANGE OF REGISTERED OFFICE OR AGENT. (a) A
8 limited liability company may change its registered office, agent, or
9 both, by filing with the commissioner a verified statement signed by a
10 member or a manager if management of the company is by a manager, setting
11 out

- 12 (1) the name of the company;
- 13 (2) the address of its registered office;
- 14 (3) the address of its new registered office if the regis-
15 tered office is to be changed;
- 16 (4) the name of its registered agent;
- 17 (5) the name of its new registered agent if its registered
18 agent is to be changed.

19 (b) If the commissioner finds that the verified statement complies
20 with this chapter, he shall file it in his office. The change becomes
21 effective when the statement is filed.

22 Sec. 10.50.340. APPLICATION TO FOREIGN AND INTERSTATE COMMERCE.
23 The provisions of this chapter shall apply to commerce with foreign
24 nations and among the several states only as permitted by law.

25 Sec. 10.50.350. APPLICABILITY OF THIS CHAPTER. This chapter takes
26 precedence in the event of a conflict with the provisions of the Alaska
27 Business Corporation Act or other laws. This chapter does not affect a
28 right accrued or established, or any liability or penalty incurred,
29 prior to the effective date of this Act.

1 Sec. 10.50.360. DEFINITIONS. In this chapter, unless the context
2 otherwise requires,

3 (1) "bankrupt" means bankrupt under the Federal Bankruptcy
4 Act;

5 (2) "commissioner" means the commissioner of commerce and
6 economic development;

7 (3) "court" includes every court and judge having jurisdic-
8 tion in the case;

9 (4) "limited liability company" means a limited liability
10 company organized and existing under this chapter;

11 (5) "person" includes individuals, general partnerships,
12 limited partnerships, limited liability companies, corporations, trusts,
13 business trusts, real estate investment trusts, estates and other
14 associations;

15 (6) "real property" includes land, any interest, leasehold or
16 estate in land and any improvements on it.

17 Sec. 10.50.370. SHORT TITLE. This Act shall be known and may be
18 cited as the Alaska Limited Liability Company Act.
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