

Title 6 TRIBAL ENTERPRISES

Chapters:

Chapter 6.04 - FIREWORKS SALES AND SAFETY ORDINANCE

Chapter 6.08 - GAMING

Chapter 6.12 - LIQUOR SALES

Chapter 6.14 - CIGARETTE SALES AND TAX CODE

Chapter 6.15 - FUEL SALES AND TAX CODE

Chapter 6.16 - COMMERCIAL BRUSH PICKING

Chapter 6.17 - ROOM OCCUPANCY TAX CODE

Chapter 6.24 - BUSINESS ADMINISTRATION BOARD*

Chapter 6.28 - BUSINESS CORPORATION ORDINANCE

Chapter 6.32 - NOT-FOR-PROFIT CORPORATION ORDINANCE

Chapter 6.34 - LIMITED LIABILITY COMPANY ORDINANCE

Chapter 6.36 - BUSINESS PERMIT ORDINANCE

Chapter 6.40 - TOBACCO PRODUCTS TAX

Chapter 6.44 - LIQUOR TAX

Chapter 6.04 FIREWORKS SALES AND SAFETY ORDINANCE

Sections:

[6.04.010 Title.](#)

[6.04.020 Authority and declaration of purpose.](#)

[6.04.030 Definitions.](#)

[6.04.040 Fireworks committee.](#)

[6.04.050 Wholesale fireworks permits and sales.](#)

[6.04.060 Retail fireworks sales and permits.](#)

[6.04.065 Use permits.](#)

[6.04.070 Fireworks stands.](#)

[6.04.080 Terms of permits.](#)

[6.04.090 Transfer of permit prohibited.](#)

[6.04.100 Refunds.](#)

Title 6 TRIBAL ENTERPRISES

[6.04.110 Nonpayment of fines as grounds for denial of permit.](#)

[6.04.120 Retail fireworks stand—Operations and sales.](#)

[6.04.130 Violations and penalties.](#)

[6.04.140 Enforcement.](#)

6.04.010 Title.

This chapter shall be known as the "Squaxin Island Fireworks Sales and Safety Ordinance" and is established in order to protect the health, welfare, and safety of the Squaxin Island Tribe by controlling the sale and possession of fireworks in Indian country.

(Res. 07-31 § 15; Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.020 Authority and declaration of purpose.

- A. Authority. This Squaxin Island Fireworks Sales and Safety Ordinance is enacted pursuant to the inherent sovereign authority of the Squaxin Island Tribe in accordance with the Medicine Creek Treaty, the Constitution of the Squaxin Island Tribe, and applicable federal law.
- B. Purpose. The Squaxin Island Tribal Council, as the governing body of the Squaxin Island Tribe, recognizes the need to enhance and strengthen the development of Indian country, supporting community values and goals for achieving complete self-determination and self-governance as a separate sovereign nation. As a guide to interpretation and application, the purposes of this chapter are as follows:
1. To promote the sale of legal and safe fireworks in Indian country;
 2. To prohibit the possession or sale of illegal and unsafe fireworks in Indian country;
 3. To regulate the use and discharge of fireworks in or into Indian country;
 4. To promote the safety and welfare of the Squaxin Island Tribal Community and its members by regulating the conduct of fireworks sales in Indian country;
 5. To generate revenue for operation of the Squaxin Island Tribal Government, including the administration and enforcement for this chapter;
 6. To assert, to the exclusion of state and local regulatory authorities, the Tribe's authority over the conduct of trade in, and the use of and disposition of, fireworks in Indian country.

(Res. 07-31 § 16; Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.030 Definitions.

Where a term is not defined in this chapter, it shall be given its ordinary meaning.

Terms used in this chapter, and in regulations adopted under it, shall have the following meanings, except where otherwise defined or where the context clearly indicates otherwise:

"Commercial properties of the Tribe" mean and include all properties under the control or auspices of Island Enterprises, the Little Creek Casino, Skookum Creek Tobacco Co., Inc., or any other commercial enterprise of the Tribe.

Title 6 TRIBAL ENTERPRISES

"Commercial sale" means any transfer, exchange or barter, in any manner or by any means whatsoever, for a consideration or payment, by any person, association, partnership, or corporation of any fireworks. It includes a gift made as a means of evading the provisions of this chapter.

"Council" or "Tribal Council" means the Squaxin Island Tribal Council.

"Enrolled tribal member" or "tribal member" means a person who is an enrolled member of the Squaxin Island Tribe.

"Executive Director" means the Squaxin Island Executive Director, hired by the Tribal Council pursuant to the Constitution, who is responsible for the execution of tribal laws and policies and the management of all tribal business.

"Fireworks" mean any combustible or explosive composition or any substance or combination of substances, or article exclusively prepared for the purpose of producing a visible or audible effect by combustion, explosion, deflagration, or detonation, and shall include blank cartridges, firecrackers, torpedoes, skyrockets, roman candles, aerial bombs, sparklers, rockets, or other fireworks of like construction and any fireworks containing any explosive or flammable compound, or any other tablets other than medicinal tablets, or other device containing any explosive substance hereinafter more specifically described, but shall not include firearms.

"Fireworks stand" means a location or establishment at which fireworks are offered for commercial sale.

"Immediate family member" means the spouse or unmarried partner sharing a living space, parent(s), child(ren) (whether natural or adopted), grandparent(s), and grandchild(ren), of an enrolled Squaxin Island Tribal Member.

"Permit" means the written authorization granted under this chapter, including but not limited to a wholesale fireworks permit, retail fireworks permit and use permit.

"Tribal Court" means the Squaxin Island Tribal Court or any court established by the Tribe to adjudicate violations of this resolution codified in this chapter and regulations adopted under it.

(Res. 07-31 § 17; Res. 04-66 (part); Res. 04-38 (part); Res. 02-62 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.040 Fireworks committee.

- A. Fireworks Committee Established. There is hereby established the Squaxin Island Tribal Fireworks Committee (hereinafter "Fireworks Committee").
- B. Role of Fireworks Committee. The fireworks committee shall act in an advisory capacity to the Squaxin Island Tribal Council and shall have the authority:
 1. To promulgate and recommend regulations to Squaxin Island Tribal Council for all aspects for fireworks sales and safety pursuant to this chapter; and
 2. To monitor and inspect, in conjunction with tribal law enforcement, possession of fireworks and all wholesale and retail fireworks sales in Indian country for compliance with this chapter and all regulations adopted under it.
- C. Membership and Officers.
 1. Appointment and Term. The Tribal Council may appoint seven Squaxin Island Tribal Members to serve as members of the fireworks committee. The initial term of two of the committee members shall be one year; the initial term of two other committee members shall be two years; and the initial term of three other committee members shall be three years. After the initial terms, each committee member shall serve a three-year term.
 2. Officers. The fireworks committee shall select by consensus a Chairperson at its first meeting prior to opening of the fireworks season.

Title 6 TRIBAL ENTERPRISES

D. Vacancy, Removal and Resignation.

1. Vacancy. The Tribal Council may, on its own or at the request of a member of the fireworks committee, declare a position to be vacant if a fireworks committee member is unwilling or unable to fulfill their duties, provided:
 - a. The Tribal Council appoints an enrolled member to fill the vacant position to serve the remainder of the unexpired term; and
 - b. Notice of any proposed removal must be in writing, state the reason for the proposed removal and be delivered to the member at least seven days prior to Council review.
2. Removal. The fireworks committee may submit to the Tribal Council a "Notice of Proposed Removal and Declaration of Vacancy" for review for the following:
 - a. For failure to attend two consecutive meetings without prior notice to the fireworks committee stating the reason for the absence; or
 - b. For good cause stated, including, but not limited to, a violation of this chapter or the regulations adopted under it; and/or failure to pay any fines imposed pursuant to this chapter.
3. Resignation. A member of the fireworks committee may resign the position. Such resignation must be in writing and submitted to the Tribal Council.

E. Meetings and Voting.

1. The fireworks committee members shall schedule their first regular meeting at least thirty (30) days prior to the opening of fireworks season each year. Additional meetings may be scheduled as needed.
2. All meetings shall be called by the Chairperson, or by a majority of the members of the fireworks committee, with two days' written notice to each member, stating the place, day, and hour of the meeting and any purpose for which the meeting was called.
3. For the purpose of conducting business, a quorum shall be required for any meeting. Four members of the committee shall constitute a quorum.
4. Voting shall be by consensus. If consensus cannot be reached, alternative recommendations of the proposed action by each member shall be presented to the Tribal Council.

(Res. 07-31 § 18; Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.050 Wholesale fireworks permits and sales.

Authorized Wholesalers. No person shall make wholesale sales of fireworks in Indian country without a valid annual wholesale fireworks permit issued by the Squaxin Island Tribe.

(Res. 07-31 § 19; Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.060 Retail fireworks sales and permits.

No commercial sale of fireworks shall be made in Indian country unless the seller has a current retail fireworks sales permit issued by the Tribe and such permit has not been revoked or suspended, except that no permit shall be required for the retail sale of fireworks on lands held in trust for an individual tribal member provided that: such sales are made by the beneficial owner of the trust land where the sale occurs or by one or more members of his/her immediate family; that no more than two fireworks stands are located on the trust land; and the person(s) making fireworks sales have no outstanding fines imposed by the Squaxin Island Tribal Court for violations of this chapter or any regulations promulgated under it. Permits shall be issued only to enrolled Squaxin Island Tribal Members and shall be approved only for the sale of fireworks from retail fireworks stands in Indian country. Wholesale purchases and/or

Title 6 TRIBAL ENTERPRISES

retail sales of fireworks from other than a fireworks stand is strictly prohibited. Permits must be renewed annually (replacement charge of ten dollars (\$10.00) per lost, misplaced or damaged permit or card). No person may simultaneously hold more than one retail fireworks sales permit. A retail fireworks sales permit shall entitle only the permittee to operate one fireworks stand.

- A. Qualifications for Retail Fireworks Sales Permits. To qualify for a retail fireworks sales permit, an applicant must have at the time of application and maintain during the term of the permit the following qualifications:
 - 1. Be an enrolled member of the Squaxin Island Tribe "in good standing" (no outstanding fines, taxes or housing payments);
 - 2. Be at least eighteen (18) years of age;
 - 3. Have no outstanding fines imposed by the Squaxin Island Tribal Court for violations of this chapter or any regulations promulgated under it;
 - 4. Have paid all applicable fees and other charges under this chapter or any regulations promulgated under it;
 - 5. Make sales in Indian country as allowed by the Tribe; and
 - 6. Demonstrate likelihood to comply with all provisions of this chapter and any regulations promulgated under it.
- B. Action on Permit Application. Within ten (10) days of receipt of an application, the Executive Director shall determine whether an applicant qualifies for a retail fireworks sales permit as provided in subsection A of this section. The Executive Director shall either approve and issue the permit to a qualified applicant, or shall notify the applicant in writing of the reason for denial of the permit. All decisions of the Executive Director may be appealed to the Tribal Council. The decision of the Tribal Council shall be final.
- C. Permit Fees. All retail fireworks stand owner/operators will be required to submit with their application a retail fireworks sales permit fee. The fee amount, which may include a refundable cleaning deposit, shall be established by the Tribal Council. The Tribal Council shall determine when the fee must be paid, and may require that all or part of the permit fee must be paid prior to entry of the applicant's name in any lottery for fireworks stands. All permit, lease and cleaning deposit fees may be changed by the annual fireworks sales and safety regulations as approved by the Tribal Council.
- D. Display of Permit. Every retail fireworks sales permit issued pursuant to this chapter shall be prominently displayed at the fireworks stand authorized by the permit.

(Res. 07-31 §§ 20, 21; Res. 04-66 (part); Res. 04-58 (part); Res. 04-38 (part); Res. 02-103 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.065 Use permits.

No discharge of fireworks shall be made in or into Indian country unless the user possesses a current use permit issued by the Tribe for the discharge and such permit has not been revoked or suspended, except that no permit shall be required for the discharge of fireworks on lands held in trust for an individual tribal member provided that the discharge is conducted by the beneficial owner of the trust land where the sale occurs or by other persons with his or her permission. Use permits may be granted for events. The use permit may limit the time, place and/or manner of discharge of fireworks.

- A. Qualifications for Use Permit. To qualify for a use permit, an applicant must have at the time of application and maintain during the term of the use permit the following qualifications:
 - 1. Be at least eighteen (18) years of age;
 - 2. Have no outstanding fines imposed by the Squaxin Island Tribal Court for violations of this chapter or any regulations promulgated under it;

Title 6 TRIBAL ENTERPRISES

3. Have paid all applicable fees and other charges under this chapter or any regulations promulgated under it; and
 4. Demonstrate likelihood to comply with all provisions of this chapter and any regulations promulgated under it.
- B. Action on Permit Application. Within ten (10) days of receipt of an application, the Executive Director shall determine whether an applicant qualifies for a use permit as provided in subsection A of this section. The Executive Director shall either approve and issue the use permit to a qualified applicant, or shall notify the applicant in writing of the reason for denial of the use permit. All decisions of the Executive Director may be appealed to the Tribal Council. The decision of the Tribal Council shall be final.
- C. Use Permit Fees. All applicants for a use permit will be required to submit with their applicant a use permit fee.
- D. Display of Permit. Every use permit issued pursuant to this chapter shall be in the possession of the permittee on-site during authorized hours for discharge.

(Res. 07-31 § 22; Res. 04-66 (part))

6.04.070 Fireworks stands.

The Tribe may authorize fireworks stands to be located in Indian country as follows:

- A. Fireworks stand owners will normally be selected by lottery if there are more requests for stands than there is space available. However, nothing in this section prohibits the Tribal Council from authorizing a bid process to select stand owners.
- B. Lease fees for tribally owned property will be established by the annual Fireworks Sales and Safety Regulations (FSSR) as approved by the Tribal Council. Selected enrolled members must pay the lease fee, plus any refundable cleaning deposit, prior to opening their fireworks stand.
- C. A fee for portable toilets, trash receptacles, or other goods and services, may be incorporated into the lease fees established by the annual FSSR, as approved by the Tribal Council.
- D. No deferred payments on permits and fees are authorized.

(Res. 07-31 § 23; Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.080 Terms of permits.

Each permit shall state such terms and conditions necessary to achieve the purpose of this chapter.

(Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.090 Transfer of permit prohibited.

A permit may not be transferred to any other person. A retail fireworks permit may not be applied to a stand at a location other than the one designated within the permit or otherwise assigned by the Tribe.

(Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.100 Refunds.

- A. Permit fees paid at time of permit application shall be promptly refunded if the Executive Director determines that the applicant does not qualify for a permit.
- B. Cleaning deposit refunds shall be refunded as follows:

Title 6 TRIBAL ENTERPRISES

1. Unless otherwise established by the Tribal Council, a fireworks stand owner must collect and properly dispose of all garbage and debris in and around the fireworks stand within three days after the season. The fireworks stand must be dismantled and moved.
2. Following the three days, or other period as established by the Tribal Council, the fireworks committee, law enforcement and/or tribal staff will inspect each fireworks stand for compliance.
3. Upon determination of compliance with the above, the cleaning deposit shall be refunded within thirty (30) days following the close of fireworks season.
4. Upon a determination of failure to comply with the above, the cleaning deposit shall be forfeited to the Tribe. In addition, failure to comply may result in other penalties and fines contained in violations and penalties, and the Executive Director may deny future permits to the fireworks stand owner for a period of up to three years.

(Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.110 Nonpayment of fines as grounds for denial of permit.

No permit shall be issued to an applicant who has outstanding fines imposed by the Squaxin Island Tribal Court for violations of this chapter or any regulations promulgated under it.

(Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.120 Retail fireworks stand—Operations and sales.

- A. Display of Permit. Every retail fireworks sales permit issued pursuant to this chapter shall be prominently displayed at the fireworks stand authorized by the permit.
- B. Employees. No person under the age of fifteen (15) shall be authorized to assist in the operation of fireworks stand, except in the presence of immediate adult supervision. At the time of application for the permit, the owner/operator must list all employees or persons that will be working in their stands who are not enrolled tribal members. Fireworks stand owner/operators are only authorized to employ or allow sales of fireworks to be made by a person who is either:
 1. An enrolled member of the Squaxin Island Tribe; or
 2. An immediate family member of the fireworks owner/operator.

(Res. 04-66 (part); Res. 04-38 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.130 Violations and penalties.

- A. Prohibited Fireworks.
 1. The sale or possession of any firework prohibited by federal law shall be prohibited under this chapter.
 2. Only sales of "consumer fireworks," those formerly classified as "Class C Common Fireworks" and now classified as "Fireworks 1.4G" under federal law, are permitted. "Consumer fireworks" generally includes cone fountains, cylindrical fountains, roman candles, skyrockets, firecrackers, mines and shells, helicopter-type rockets, certain sparkers, and revolving wheels. "Consumer fireworks" generally does not include M-80's, M-100's, quarter sticks, blockbusters, cherry bombs and other similar devices.
 3. The seller is solely responsible for determining whether a particular firework complies with federal law.

Title 6 TRIBAL ENTERPRISES

4. The Tribal Council shall have the power to ban in Indian country the sale or possession of any particular type, sort or kind of fireworks whether or not such fireworks are permitted under other applicable law.
- B. Unlawful Discharge of Fireworks.
1. It is unlawful to discharge fireworks anywhere on a site established by the Tribe for the sale of fireworks.
 2. It is unlawful to discharge fireworks in a manner that causes injury or damage to any person, animal or property, or in a manner that is likely to cause such injury or damage.
 3. It is unlawful to discharge fireworks in or into Indian country without a valid use permit, except that no permit shall be required for the discharge of fireworks on lands held in trust for an individual tribal member provided that the discharge is conducted by the beneficial owner of the trust land where the sale occurs or by other persons with his or her permission.
- C. Other Prohibitions.
1. It is unlawful to sell fireworks to a youth under the age of thirteen (13), without the presence of the youth's parent or guardian.
 2. It is unlawful to smoke within one hundred (100) feet of a fireworks stand.
 3. It is unlawful for any owner/operator or employee of the owner/operator to consume alcohol or be under the influence of alcohol or drugs while operating the fireworks stand, except over-the-counter or prescription medication prescribed to the user of the medication that does not interfere with the owner/operator's or employee's ability to safely store, sell, possess and handle fireworks.
- D. Civil Fines. Persons convicted of violating any part of this chapter shall be subject to the following fines:
1. Selling or Possessing Prohibited Fireworks. A fine not to exceed two thousand dollars (\$2,000.00).
 2. Unlawful Discharge of Fireworks. A fine not to exceed two thousand dollars (\$2,000.00).
 3. Other Prohibitions. A fine not to exceed one thousand dollars (\$1,000.00).
- E. Civil Forfeitures. A person attempting to sell prohibited fireworks shall forfeit their fireworks stand and its contents.
- F. Revocation/Suspension of Permit. The Executive Director or the chief of police may revoke or suspend a permit at any time for any reason including the failure to meet and/or maintain qualifications for any permit.

(Res. 07-31 §§ 24, 25; Res. 04-66 (part); Res. 04-58 (part); Res. 02-62 (part); Res. 02-61 (part); Res. 01-43 (part))

6.04.140 Enforcement.

- A. Tribal Law Enforcement Officers. Tribal law enforcement officers may inspect fireworks stands at any time to ensure compliance with this chapter; any regulations adopted hereunder, the Use Agreement, or any provision of the Squaxin Island Law and Order Code, or as necessary for safety reasons.
- B. Tribal Court Jurisdiction. The Squaxin Island Tribal Court shall have exclusive jurisdiction over any dispute or incident related to this chapter.
- C. Nothing in this chapter shall incorporate the laws of the state of Washington regarding fireworks into law of the Squaxin Island Tribe.

(Res. 04-66 (part); Res. 02-61 (part); Res. 01-43 (part))

Chapter 6.08 GAMING

Sections:

[6.08.010 Statement of purpose.](#)

[6.08.020 Short title.](#)

[6.08.030 Interpretation.](#)

[6.08.040 Policy.](#)

[6.08.050 Definitions.](#)

[6.08.060 General prohibition.](#)

[6.08.070 Individually owned gaming operations.](#)

[6.08.080 Gaming activities.](#)

[6.08.090 The Squaxin Island Gaming Commission.](#)

[6.08.100 Operations.](#)

[6.08.110 Identification badges.](#)

[6.08.120 Violations—Jurisdiction.](#)

[6.08.130 Net revenue tax.](#)

[6.08.140 Internal Revenue Service.](#)

[6.08.150 Designation of an agent for service of process.](#)

[6.08.160 Severability clause.](#)

[6.08.170 Enactment of tribal-state compact.](#)

[6.08.180 Dispute resolution procedures.](#)

6.08.010 Statement of purpose.

A chapter to govern and regulate the operation, conduct and playing of (1) "Class I gaming" and (2) "Class II gaming," as defined by the Indian Gaming Regulatory Act of 1988, 25 U.S.C. Section 2701, et seq. (the "Act"); and (3) "Class III gaming" as defined by the Act and as authorized by and pursuant to the provisions of a tribal-state compact under the provisions of the Act, so that revenue may be produced for the support of tribal government programs which promote economic development and for the health, education and welfare of the Tribe and its members.

(Res. 94-78 (part))

6.08.020 Short title.

This chapter may be cited as the gaming ordinance of the Squaxin Island Tribe of the Squaxin Island Reservation located in Mason County, Washington.

(Res. 94-78 (part))

6.08.030 Interpretation.

This chapter shall be deemed an exercise of the sovereign power of the Squaxin Island Tribe and all provisions of this chapter shall be liberally construed for the accomplishment of the statement of purpose.

(Res. 94-78 (part))

6.08.040 Policy.

- A. Proprietary Interests. The Squaxin Island Tribe shall have the sole proprietary interest, authority and responsibility for the conduct of any Class II gaming conducted on the Indian lands and shall have the sole proprietary interest and responsibility for the conduct of any Class III gaming conducted on the Indian lands.
- B. Use of Gaming Revenues. The net revenues of any tribal Class II and Class III gaming are not to be used for purposes other than:
 - 1. To fund tribal governmental operations or programs;
 - 2. To provide for the general welfare of the Tribe and its members;
 - 3. To promote tribal economic development;
 - 4. To donate to charitable organizations; or
 - 5. To help fund operations of local government agencies.
- C. Prohibition on Per Capita Payments. The net revenues from gaming activities may be used to make per capita payments to members of the Tribe if done so in accordance with IGRA Section 2710(b)(3).
- D. Annual Audits. Annual outside independent certified audits of Class II and Class III gaming conducted by the Tribe pursuant to the provisions of a tribal-state compact shall be caused to be produced and the results of those audits shall be submitted to the NIGC and made available to any federal agencies authorized by federal law to obtain copies of the results of those audits. Such audits shall be deemed to be confidential and proprietary information and not subject to disclosure without the express written approval of the commission.
- E. Gaming Related Contracts. All gaming related contracts that result in purchases of supplies, services or concessions for more than twenty-five thousand dollars (\$25,000.00) annually, except contracts for professional, legal or accounting services, shall be included within the scope of the independent audits conducted under subsection D of this section.
- F. Background Investigations and Licensing. The Tribe shall perform background investigations and issue licenses according to the requirements of Section 6.08.080, which shall be at least as stringent as those required by federal law, including 25 CFR Parts 556 and 558.
- G. License Required. The Squaxin Island Gaming Commission (the "Commission") shall issue a separate license to each place, facility or location on Squaxin Island lands where the Commission elects to allow either Class II or Class III gaming.
- H. Environmental, Public Health and Safety Protection. The Tribe shall construct and maintain the gaming facilities and operate Class II and Class III gaming in a manner which adequately protects the environment and the public health and safety.
- I. Cooperation with Law Enforcement. Tribal officials may cooperate with law enforcement officials of the state of Washington, the Bureau of Indian Affairs, the Federal Bureau of Investigation, and other law enforcement agencies, when it is deemed to be in the best interest of the Tribe to assure that fair, honest and efficient gaming activities are conducted by the Tribe and, as to Class III gaming, such law enforcement activities and responsibilities shall be consistent and in accordance with the provisions of a tribal-state compact.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.050 Definitions.

In this chapter, unless the context requires otherwise:

- A. Definitions Incorporated. The definitions of the IGRA Section 2703 and the NIGC issued pursuant to Section 2706(b)(10) now existing, 25 CFR Part 502, or as may be hereinafter adopted or amended shall apply and are hereby adopted and incorporated to the extent necessary and not inconsistent with this chapter.

"Act" means the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. Section 2701 et seq. and 18 U.S.C. Section 1166 et seq.

"Class II gaming" means:

1. Bingo or lotto (whether or not electronic, computer or other technologic aids are used) when players:
 - a. Play for prizes with cards bearing numbers or other designations;
 - b. Cover numbers or designations when object, similarly numbered or designated, are drawn or electronically determined; and
 - c. Win the game by being the first person to cover a designated pattern on such cards;
2. If played in the same location as bingo or lotto, pull-tabs, punch boards, tip jars, instant bingo, and other games similar to bingo;
3. Nonbanking card games that:
 - a. State law explicitly authorizes, or does not explicitly prohibit, and are played legally anywhere in the state; and
 - b. Players play in conformity with state laws and regulations concerning hours, periods of operation, and limitations on wagers and pot sizes;
4. Card games played in the states of Michigan, North Dakota, South Dakota, or Washington if:
 - a. An Indian Tribe actually operates the same card games as played on or before May 1, 1988, as determined by the Chairman; and
 - b. The pot and wager limits remain the same as on or before May 1, 1988, as determined by the Chairman;
5. Individually owned Class II gaming operations:
 - a. That were operating on September 1, 1986;
 - b. That meet the requirements of 25 U.S.C. 2710(b)(4)(B);
 - c. Where the nature and scope of the game remains as it was on October 17, 1988; and
 - d. Where the ownership interest or interests are the same as on October 17, 1988.

"Class III gaming" means Class III gaming as defined by the Act, or as authorized by judicial determination, federal regulation or federal pronouncement and as authorized and conducted by the Tribe in accordance with and pursuant to the provisions of a tribal-state compact and this chapter and includes all forms of gaming that are not Class I gaming or Class II gaming, including but not limited to:

1. Any house banking game, including but not limited to:
 - a. Card games such as baccarat, chemin de fer, blackjack (21), and pai gow (if played as house banking games);
 - b. Casino games such as roulette, craps, and keno;
2. Any slot machines as defined in 15 U.S.C. 1171(a)(1) and electronic or electromechanical facsimiles of any game of chance;

Title 6 TRIBAL ENTERPRISES

3. Any sports betting and parimutuel wagering including but not limited to wagering on horse racing, dog racing or jai alai; or
4. Lotteries.

"Commission" means and refers to the Squaxin Island Gaming Commission.

"Contractor" means and refers to any management contractor who operates for the Tribe, tribal premises used for Class II or Class III gaming, or operates as lessee under a lease with the Tribe and any lessor of gaming equipment or supplier of gaming services to the Tribe.

"Indian lands" mean:

1. Land within the limits of the Squaxin Island Reservation; or
2. Land over which the Squaxin Island Tribe exercises governmental power and that is either:
 - a. Held in trust by the United States for the benefit of any Indian Tribe or individual; or
 - b. Held by an Indian Tribe or individual subject to restriction by the United States against alienation.

"Key employee" means and refers to (a) a person who performs one or more of the following functions: bingo caller; counting room supervisor; chief of security; custodian of gaming supplies or cash; floor manager; pit boss; dealer; croupier; approver of credit; or custodian of gambling devices including persons with access to cash and accounting records within such devices; (b) if not otherwise included, any other person whose total cash compensation is in excess of fifty thousand dollars (\$50,000.00) per year; or (c) if not otherwise included, the four most highly compensated persons in the gaming operation.

"Net revenues" means gross gaming revenues of an Indian gaming operation less:

1. Amounts paid out as, or paid for, prizes; and
2. Total gaming-related operating expenses, excluding management fees.

"Person" means a natural person, firm, association, corporation or other legal entity.

"Player" means any person paying some amount of U.S. currency to the Tribe or the contractor or the agent, servant or employee of the Tribe or such contractor for admission to, or participation in, Class II or Class III gaming and who has some reasonable expectation of receiving a prize as a result of participating, playing or wagering on such Class II or Class III gaming.

"Primary management official" means (a) the person having management responsibility for a management contract; (b) any person who has authority to hire and fire employees; or to set up working policy for the gaming operation; or (c) the chief financial officer or other person who has financial management responsibilities.

"Prizes" means and refers to any United States currency, cash or other property or thing of value awarded to a player of Class II or Class III gaming.

"Tribal Council" means and refers to the Squaxin Island Tribal Council, the governing body of the Squaxin Island Tribe.

"Tribal-state compact" means a tribal-state compact entered into, if at all, pursuant to IGRA Section 2710.

"Tribe" means and refers to the Squaxin Island Tribe of the Squaxin Island Indian Reservation located in Mason County, Washington, whose Constitution was approved July 8, 1965 by the United States Secretary of the Interior.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.060 General prohibition.

No person may perform, supervise, hold, operate or conduct any Class II or Class III gaming on Squaxin Island lands except such Class II or Class III gaming conducted, operated or licensed by the Commission in accordance with the provisions of this chapter and, as to Class III gaming, conducted, operated or licensed in accordance with the provisions of the tribal-state compact.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.070 Individually owned gaming operations.

Individually owned gaming operations are prohibited.

(Res. 94-78 (part))

6.08.080 Gaming activities.

- A. Gaming Authorization. The Tribe is authorized to perform, supervise, hold, license, operate and conduct Class I, Class II and Class III gaming on Squaxin Island lands and, as to Class III gaming, in accordance with the provisions of the tribal-state compact.
- B. Tribal-State Compact Authorization. The Tribal Council is authorized to enter into a tribal-state compact regulating the conduct of Class III gaming activities as required by the Act and to take any and all actions necessary to negotiate and execute such compact.
- C. Management Agreements. The Tribal Council shall have the authority to enter into management, finance and/or construction agreements to operate, build and maintain, including engineering, architectural and environmental agreements preliminary thereto, Class II and/or Class III gaming activities on Indian lands or lease for the rental of gaming equipment provided that said management agreements or leases are in conformity with the Act and any federal laws, rules and/or regulations then in effect.
- D. Squaxin Gaming Commission. The Squaxin Island Gaming Commission shall supervise the administration of this section and may adopt, amend and repeal rules and regulations governing the performance, supervision, holding, licensing, operating and conducting of Class II and Class III gaming, including but not limited to establishing accounting and audit procedures and requirements, and procedures for background investigations which shall be in accordance with, and shall not violate the provisions of this ordinance and, in the case of Class III gaming, the tribal-state compact; may provide for the rental of the premises and equipment required for the operation of such Class II and Class III gaming; and promulgate rules and regulations governing its conduct.
- E. Conflicts. All management agreements shall provide that elected members of the tribal government may not be an employee of the contractor or of the Tribe's gaming enterprise.
- F. Licensing. The licensing authority for Class II or Class III gaming is an exclusive tribal authority unless, in the case of Class III games, otherwise provided under a tribal-state compact. All contractors, primary management officials, key employees and employees of the Tribe's gaming enterprise and each place, facility and locale engaging in Class II or Class III gaming, shall be licensed by the Commission and, in the case of Class III gaming, meet the licensing requirements of the tribal-state compact. Any person whose prior activities, criminal record, if any, or reputation, or associations pose a threat to the public interest or to the effective regulation of the Tribe's gaming activities or create or enhance the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of such gaming activities shall not be eligible to be licensed by the Commission as a contractor, primary management official, key employee or employee of the Tribe's gaming enterprise.
 - 1. The Commission shall make a finding determining the eligibility of each primary management official and each key employee for employment in the gaming operation consistent with the

Title 6 TRIBAL ENTERPRISES

applicable requirements of subsections (H)(1) and (H)(2) of this section and federal law, including requirements at least as stringent as 25 CFR Parts 556 and 558.

2. All contractors, primary management officials, key employees and employees of the Tribe's gaming enterprise shall be of good moral character and shall not have been convicted of any felony or misdemeanor involving moral turpitude or gaming offense in any court of competent jurisdiction.
 3. The Commission shall retain applications for employment and reports (if any) of background investigations of employees of a gaming operation other than primary management officials and key employees for inspection by the Chairperson or his or her designee for the greater of three years or the term of employment. The Commission shall retain applications for primary management officials and key employees and background investigation reports for inspection by the NIGC for at least three years from the date of termination of employment.
 4. The Commission shall forward applications and reports to the NIGC as required by federal law. Before issuing a license, the Commission shall forward to the NIGC an investigative report and eligibility determination. The report shall include all of the following: steps taken in conducting a background investigation; results obtained; conclusions reached; and the bases for those conclusions.
 5. If the Commission does not license an applicant, it shall notify the NIGC.
- G. License Suspension. If, after the issuance of a gaming license, the NIGC receives reliable information indicating that an employee is not eligible for employment and so informs the Commission, the Commission shall suspend such license and notify the licensee in writing of the suspension and the proposed revocation. The Commission shall notify the licensee of a time and a place for a hearing on the proposed revocation. After a revocation hearing, the Commission shall decide to revoke or to reinstate a gaming license. The Commission shall notify the NIGC of its decision. The Commission Director may suspend an employee's gaming license without review and approval of the Commission when the suspension relates only to a licensing procedural issue (i.e., renewal not timely completed, key employee forms not turned in, other tardy replies regarding documentation).
- H. Background Investigations. Background investigations shall be conducted, as required below, of primary management official and employees of the Tribe's gaming enterprise. The Squaxin Island Gaming Commission, established pursuant to Section 6.08.090, shall conduct all licensing duties imposed upon the Tribe pursuant to the provisions of this chapter and, in the case of Class III gaming, the tribal-state compact. In pursuance of such responsibilities, the Commission may retain qualified personnel to conduct the required background investigations consistent with this chapter and the terms of the tribal-state compact.
1. Background Investigations for Class II Gaming. The Commission shall conduct or cause to be conducted a background investigation for each primary management official and for each key employee of a Class II gaming operation. The Commission shall request and the primary management official and the key employee shall provide any and all information that it deems relevant, including all that information required by federal law, including 25 CFR 556.4. The Commission shall request from each primary management official and from each key employee all of the following information:
 - a. Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
 - b. Currently and for the previous five years, business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;
 - c. The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under subsection (H)(1)(b) of this section;

Title 6 TRIBAL ENTERPRISES

- d. Current business and residence telephone numbers;
- e. A description of any existing and previous business relationships with Indian Tribes, including ownership interests in those businesses;
- f. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
- g. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
- h. For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition, if any;
- i. For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations) within ten (10) years of the date of the application, the name and address of the court involved and the date and disposition;
- j. For each criminal charge (excluding minor traffic charges) whether or not there is a conviction, if such criminal charge is within ten (10) years of the date of the application and is not otherwise listed pursuant to subsection (H)(1)(h) or (i) of this section, the criminal charge, the name and address of the court involved and the date and disposition;
- k. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- l. A photograph;
- m. Any other information the Commission deems relevant; and
- n. Fingerprints consistent with the procedures adopted by the Commission according to 25 CFR Section 522.2(h).

The Commission shall conduct an investigation sufficient to make a determination whether the employment of a person under investigation poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and method and activities in the conduct of gaming. If the Commission determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming or practices and methods and activities in the conduct of gaming, a tribal gaming operation shall not employ that person as a primary management official, key employee or employee.

In conducting a background investigation, the Commission and its agents shall promise to and shall keep confidential the identity of each person interviewed in the course of the investigation.

Before issuing a license to a primary management official or a key employee under this section, the Commission shall forward to the NIGC an investigative report on each background investigation including all that information required by federal law including the steps taken in conducting a background investigation; the results obtained; the conclusions reached; the basis for those conclusions and its finding of eligibility required under subsection (H)(1) of this section. The Commission shall submit, with the report, a copy of the eligibility determination made under subsection (H)(1) of this section.

The Commission shall place any privacy notice required by federal law on the application form for primary management officials and key employees before that form is filled out, including the privacy notice required pursuant to 25 CFR 556.2. (25 U.S.C. 2701 et seq.). Persons employed as key employees and primary management officials prior to the enactment of the resolution codified in this chapter shall be notified in writing that they shall either complete a new application form that contains a Privacy Act notice or sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

Title 6 TRIBAL ENTERPRISES

The Commission shall place any notice regarding false statements required by federal law on the application form for primary management officials and key employees, including the false statements notice required pursuant to 25 CFR 556.3. (18 U.S.C. 1001). The Commission shall notify in writing persons employed as key employees and primary management officials prior to the enactment of the ordinance codified in this chapter that they shall either complete a new application form that contains a notice regarding false statements or sign a statement that contains the notice regarding false statements.

The Commission shall promulgate and adopt regulations consistent with the description of procedures for background investigations of key employees and primary management officials dated May 18, 1993, adopted by the NIGC.

2. Background Investigations for Class III Gaming. The Commission shall conduct or cause to be conducted a background investigation for each primary management official, key employee, and employee of a Class III gaming operation using procedures as stringent as those required by subsection (H)(1) of this section. The Commission shall further conduct or cause to be conducted those background investigations required by the tribal-state compact. The background investigation shall include a check of records maintained by the FBI.

Before the Commission or other licensing authority (the state, if at all) licenses a primary management official or a key employee the Commission shall forward to the NIGC the information required under subsection (H)(1) of this section.

The Commission shall place any privacy notice required by federal law on the application form for primary management officials and key employees before that form is filled out, including the privacy notice required pursuant to 25 CFR 556.2. (25 U.S.C. 2701 et seq.). Persons employed as key employees and primary management officials prior to the enactment of the ordinance codified in this chapter shall be notified in writing that they shall either complete a new application form that contains a Privacy Act notice or sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

The Commission shall place any notice regarding false statements required by federal law on the application form for primary management officials and key employees, including the false statements notice required pursuant to 25 CFR 556.3. (18 U.S.C. 1001). The Commission shall notify in writing persons employed as key employees and primary management officials prior to the enactment of the resolution codified in this chapter that they shall either complete a new application form that contains a notice regarding false statements or sign a statement that contains the notice regarding false statements.

The Commission shall promulgate and adopt regulations consistent with the description of Procedures for Background Investigations of Key Employees and Primary Management Officials dated May 18, 1993, adopted by the NIGC.

3. Background Investigation Procedures. The Commission, in conjunction with the Washington State Gambling Commission, is responsible for the conduct of the background investigations and suitability determinations. Although Washington State Gambling Commission's participation only involves Class III gaming under the tribal-state compact, the procedures outlined herein shall be followed with respect to all employees, whether Class II or Class III.

The Commission shall also be responsible for (i) reviewing and approving the investigative work done; (ii) reporting the results of the background investigations to the NIGC; and (iii) making the suitability determinations.

The tribal or local (Mason County) police will obtain fingerprints. The NIGC will process the fingerprints. The Washington State Gambling Commission will process fingerprints only if and when they are authorized to do so under P.L. 92-544.

The minimum investigative procedures to be performed in connection with the background investigations of key employees and primary management officials shall include the following:

- a. Verification by written or oral communication of information submitted by the applicants;

Title 6 TRIBAL ENTERPRISES

- b. Inquiry into the applicant's prior activities, criminal record, if any, and reputation, habits and associations;
- c. Interviews of a sufficient number of knowledgeable people such as former employers, personal references, and others to whom reference is made in order to provide a basis for the Commission to make a finding concerning the eligibility for employment in the gaming operation of the applicant; and
- d. Documentation of all potential problem areas noted and disqualifying information.

An investigative report will ultimately be prepared setting forth the following:

- i. The steps taken in conducting the background investigation;
 - ii. The results obtained;
 - iii. The conclusions reached; and
 - iv. The basis for these conclusions.
4. Granting a Gaming License. If, within a thirty (30) day period after the NIGC notifies the Commission that it has no objection to the issuance of a license pursuant to the license application filed by a key employee or a primary management official for whom the Commission has provided an application and investigative report to the NIGC, the Commission may issue a license to such applicant.

The Commission shall respond to a request for additional information from the Chairperson of the NIGC concerning a key employee or a primary management official who is the subject of a report.

If, within the thirty (30) day period described above, the NIGC provides the Commission with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Commission has provided an application and investigative report to the NIGC, the Commission shall reconsider the application, taking into account the objections itemized by the NIGC. The Commission shall make the final decision whether to issue a license to such applicant.

- I. The Commission shall maintain a permanent record containing the name and address of each player who receives a prize, if required by, and in accordance with the requirements of the Internal Revenue Code, any enactments of Congress or the tribal-state compact.
- J. The Commission shall maintain adequate written records of Class II and Class III gaming in the Tribe's facilities for a period of at least four years. The records shall include:
 1. Gross receipts;
 2. All payouts for prizes, whether in cash or merchandise;
 3. Any and all operating expenses;
 4. Net profits.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.090 The Squaxin Island Gaming Commission.

- A. Creation and Authority. Squaxin Island Gaming Ordinance No. 93-01 ("Gaming Ordinance") was adopted on February 9, 1993, by the Squaxin Island Tribal Council. These Gaming Regulations ("Regulations") are adopted by the Squaxin Island Gaming Commission ("Commission"), the regulatory and supervisory body created by the Gaming Ordinance. The members of the Commission are appointed consistent with the terms and conditions of the Gaming Ordinance, and are compensated in an amount and pursuant to a schedule adopted by the Tribal Council.

Title 6 TRIBAL ENTERPRISES

The commission is comprised of five members. The Commission shall appoint a Chairperson and a Vice-Chairperson. The Chairperson shall be responsible for the orderly conduct of all Commission meetings. The Chairperson shall also represent the interests of the Commission to all third-parties, as tasked and requested by the Commission. The Vice-Chairperson shall act on behalf of the Chairperson whenever the Chairperson is absent, with the same rights and duties as those given the Chairperson.

Section 6.08.080 of the Gaming Ordinance grants the Commission the authority to develop and implement regulations for, and supervise the operation of, any gaming operations established within the jurisdiction of the Squaxin Island Tribe. These Regulations are intended to establish policies related to the proper regulation and supervision of such gaming and to ensure: (1) the honesty of gaming operations; (2) the qualifications of persons and entities involved in the gaming operation; (3) the protection of the revenue properly due and owing to the Squaxin Island Tribe from gaming activities; and (4) compliance with and enforcement of all applicable Federal, State and Tribal rules, regulations and policies.

B. Core Functions and Authority of the Commission. The core functions and authority of the Commission are:

1. Conduct background investigations for the purpose of licensing the gaming employees and vendors.
2. Issue, deny, review, suspend, or revoke tribal gaming licenses for gaming operations, gaming employees and vendors.
3. Promulgate, adopt and enforce internal control standards consistent with IGRA (25 USC 2701, et seq.), NIGC, and the Gaming Compact between the Squaxin Island Tribe and the State of Washington (Gaming Compact), to insure gaming is conducted in an appropriate manner.
4. By use of a surveillance program and staff, monitor gaming activities and operations to insure compliance with internal control standards and policies.
5. Oversee external and internal financial audits to ensure revenues are appropriately accounted for and paid out according to generally accepted accounting principles, and applicable rules and regulations.
6. Conduct an investigation of any alleged misconduct and take appropriate enforcement action.
7. Take enforcement actions, levy fines, hold hearings, and issue decisions.
8. Develop and adopt an annual budget.
9. Oversee the general management of the Commission staff.
10. Report to the Squaxin Island Tribal Council.

The Commission shall review its core functions on an annual basis to insure it is meeting the intended purposes of the Commission.

C. Meetings. The Commission shall meet monthly or at the request of the Chairperson, the Council or four members of the Commission. A quorum shall be three members. Voting shall be by majority unless only three members are present in which case a unanimous vote is required. Notice of the meetings is to be given to the Commission members and to the Tribe five days prior to the meeting except in the case of an emergency meeting. An agenda shall be established; minutes shall be recorded, maintained and filed. By advance written notice and request, members of the general public may be allowed to attend Commission meetings.

D. Executive and Closed Meetings. The Commission may hold executive or closed meetings for any of the following purposes:

1. When considering the applications, suspension or revocation of gaming licenses.
2. Meeting with gaming officials of other jurisdictions or law enforcement officials in connection with possible criminal violations;

Title 6 TRIBAL ENTERPRISES

3. Consulting with employees or agents of the Tribe concerning possible criminal violations or any security issues.
4. Deliberating after hearing evidence in an informal consultation or in a contested case.
5. When considering threatened or pending litigation.
6. When considering personnel and financial matters.

The Chairperson of the Commission shall determine whether hearings and matters being considered by the Commission are or are not to be in executive session. All members of Tribal Council and/or LCOB may attend Commission meetings whether in executive session or not.

(Res. 04-48 (part); Res. 94-78 (part))

(Res. No. 11-71, 10-13-11; Res. No. 13-77, 10-24-13)

6.08.100 Operations.

- A. The Tribe's Class II gaming may be conducted each and every day of the week and at such hours of the day or night as determined in the exercise of the Tribe's sole discretion, and there shall be no limit as to prize money for any single gaming activity, bingo game or session except as determined in the exercise of the Tribe's sole discretion. The Tribe's Class III gaming may be conducted each and every day of the week and at such hours of the day or night as determined in the exercise of the Tribe's sole discretion, and there shall be no limit as to prize money for any single gaming activity, bingo game or session except as determined in the exercise of the Tribe's sole discretion and as limited, if at all, by agreement in a tribal-state compact.
- B. All persons involved in the conduct of Class II and Class III gaming must be a bona fide employee of the Tribe or contractor.
- C. No person under the age of eighteen (18) shall participate in any Class II or Class III gaming. If liquor is served at any gaming facility, no person under the age of twenty-one (21) shall participate in any Class II or Class III gaming.
- D. No person who holds, operates, conducts or assists in holding, operating or conducting Class II or Class III gaming may play at the game at which such person is holding, operating, conducting or assisting.

(Res. 94-78 (part))

6.08.110 Identification badges.

All persons operating or assisting the operation or conduct of any Class II or Class III gaming shall wear their Identification Badge, issued by the Tribal Gaming Agency. The Badges shall be legible tags evidencing the person's name and photo, and the legend of the Tribe. Identification Badges must be visible and worn or otherwise affixed to all persons operating or assisting in the operation of any Class II or Class III gaming, in accordance with applicable internal controls.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.120 Violations—Jurisdiction.

- A. It is unlawful for any person to:
 1. Alter or misrepresent the outcome or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players;
 2. Place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players of the outcome of the game or any event that affects the outcome of

Title 6 TRIBAL ENTERPRISES

the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome;

3. Claim, collect or take or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won;
 4. Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of the provisions of the tribal-state compact or this chapter with the intent that the other person play or participate in that gambling game;
 5. Place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets;
 6. Reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets;
 7. Manipulate with the intent to cheat, as defined below, any component of a slot machine or gaming device in a manner contrary to the design and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine or gaming device, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game;
 8. Knowingly to use other than coins or tokens approved by the Tribe, or other lawful coin, legal tender of the United States of America, or to use coin not of the same denomination as the coin intended to be used in the gambling game;
 9. Use any device or means to cheat as defined below, or to possess any such device while at the Tribe's gaming facility;
 10. Any person having a direct or indirect financial interest in a management contract, a person having management responsibility for a management contract, or their agents to significantly and unduly influence the adoption of an ordinance or resolution regarding Class II or Class III gaming;
 11. Give or provide, or offer to give or provide, directly or indirectly to any Tribal Council or Commission member, primary management official, key employee, employee, contractor, or any person with an indirect or direct interest in the operation of Class II or Class III gaming any commission or reward, or share of the money or property paid or received through gambling activities, in consideration for obtaining any license, authorization, permission or privilege to participate in any gaming operations except as authorized by this chapter or the rules and regulations adopted pursuant to this chapter.
- B. For purposes of this section, "cheat" means to alter the selection of criteria which determined the result of a Class II or Class III gaming activity, or the amount or frequency of payment in such gaming activities.
- C. Any person who willfully or knowingly violates any provision of this chapter, or any rule or regulation authorized thereunder, shall be guilty of a criminal offense punishable by a fine not to exceed five hundred dollars (\$500.00) for each violation, or for each day the violation continues, or by imprisonment for not more than six months, or both.
- D. Any person who willfully and knowingly violates any provision of this chapter, or any rule or regulation authorized thereunder, may have the equipment, material and supplies used in conducting the unlawful activity seized and forfeited.
- E. The Tribal Courts shall have exclusive civil and criminal jurisdiction with respect to Class II gaming. The Tribe may, with respect to Class III gaming, enter into a tribal-state compact allocating criminal jurisdiction and establishing enforcement protocols. Nothing, however, in this chapter shall be construed to authorize or require the criminal trial and punishment by the Tribe of non-Indians except

Title 6 TRIBAL ENTERPRISES

to the extent allowed or required by any applicable present or future act of Congress or any applicable federal court decision.

- F. The Tribe shall retain the right to revoke any license of any contractor who engages in conduct other than as authorized by this chapter, the tribal-state compact or the contractor's agreement with the Tribe, which involves moral turpitude, dishonesty or any act which is punishable as a felony or misdemeanor involving moral turpitude under state or federal laws, or which involves a violation of tribal law.

(Res. 04-48 (part); Res. 94-78 (part))

6.08.130 Net revenue tax.

There shall be a tribal tax of that percentage of the net Class II and Class III gaming revenue equivalent to one and one-half percent (1.5%) of gross revenues within the jurisdiction of the Tribe. The tribal tax shall be assessed and paid monthly into the Squaxin Island general fund. "Net revenues" means gross gaming revenues less amounts paid out as, or paid for, prizes; and total gaming-related operating expenses, excluding management fees. The Council may reduce or waive such tax as necessary to promote economic development on the reservation.

(Res. 04-48 (part); Res. 01-88 (part); Res. 94-78 (part))

6.08.140 Internal Revenue Service.

Provisions of the Internal Revenue Code of 1986, as amended, concerning the taxation and the reporting of withholding of taxes with respect to prizes or winnings from gaming or wagering pursuant to the operation of Class II or Class III gaming operated on the Indian lands shall apply to the Tribe's gaming enterprise.

(Res. 94-78 (part))

6.08.150 Designation of an agent for service of process.

Consistent with 25 CFR 522.2(g) and 519.1, the Tribe shall designate an agent for service of any official determination, order, or notice of violation by written notification to the commission.

(Res. 94-78 (part))

6.08.160 Severability clause.

The provisions of this chapter shall be severed and if any phrase, clause, sentence or provision of this chapter is found to be contrary to the Tribe's Constitution, or declared to be in violation of applicable federal law or is held to be invalid, the validity of the remainder of this chapter shall not be affected and shall remain in full force and effect.

(Res. 94-78 (part))

6.08.170 Enactment of tribal-state compact.

The provisions of this chapter relating to the operation of Class III gaming shall become effective upon the effective date of the tribal-state compact. The Tribe enacts and incorporates herein by reference all of the provisions of the tribal-state compact as fully set forth in this chapter.

(Res. 94-78 (part))

6.08.180 Dispute resolution procedures.

- A. Appointment of Inspectors. The Commission shall be present in the gaming enterprises and operation during all hours of operation through a Commission inspector, and shall have immediate access to all areas of the gaming premises and operation for the purpose of ensuring compliance with the provisions of this chapter and the tribal-state compact, as well as any other applicable laws, ordinances or regulations. Any violation of this chapter, the compact, other applicable law, ordinance or regulation by the Tribe, the management contractor, a gaming employee, or any other person, shall be reported immediately to the Commission.
- B. Customer Dispute Resolution Procedures. Disputes between the gaming public and the management contractor or the Tribe shall be resolved fairly, justly, equitably, and expeditiously. The manager shall adopt customer dispute resolution procedures which shall implement the above described intent and which shall be submitted in advance for adoption for approval by the Commission. The customer dispute resolution procedures shall, at a minimum, provide:
1. Whenever the manager refuses payment of alleged earnings to a customer, and the manager and the customer are unable to resolve the dispute to the satisfaction of the customer and the dispute involves:
 - a. At least five hundred dollars (\$500.00), the manager shall immediately notify the Commission; or
 - b. Less than five hundred dollars (\$500.00), the manager shall inform the customer of his right to request that the Commission conduct an investigation.
 2. The Commission, through an inspector, shall conduct whatever investigation it deems necessary and shall determine whether payment should be made. The Commission inspector shall mail written notice by certified mail, return receipt requested, to the manager and the customer of its decision resolving the dispute within thirty (30) days after the date that the Commission first receives notification under subsection (B)(1)(a) of this section or a request to conduct an investigation from either the customer or the manager under subsection (B)(1)(b) of this section. The decision of the Commission inspector is effective on the date it is received by the aggrieved party as reflected on the return receipt.
 3. Within thirty (30) days after the date of receipt of the written decision of the Commission inspector, the aggrieved party may file a petition with the Commission requesting review of the decision. The Commission may set a hearing on the matter, or may make a decision based solely on the Commission inspector's decision and other documentation provided by the customer and the manager. The Commission shall then issue a written decision and mail it to the parties by registered mail or certified mail, return receipt requested.
 4. The liability of the manager in any dispute under this section shall be limited to the amount of the alleged winnings and a customer shall not be entitled to an award of special or punitive damages, or damages for mental distress.
 5. The decision of the Commission shall not be subject to judicial review.

(Res. 04-48 (part); Res. 94-78 (part))

Chapter 6.12 LIQUOR SALES

Sections:

[6.12.005 Authority.](#)

[6.12.010 Findings and purpose.](#)

[6.12.015 Scope.](#)

[6.12.020 Definitions.](#)

[6.12.030 Authority of the Tribal Council.](#)

[6.12.040 Sales.](#)

[6.12.050 Property control.](#)

6.12.005 Authority.

The Squaxin Island Tribal Council's authority to adopt the ordinance codified in this title is found in the Squaxin Island Tribal Constitution and in the inherent sovereignty of the Squaxin Island Tribe to regulate its own territory and activities therein.

(Res. 07-25 (part))

6.12.010 Findings and purpose.

- A. The introduction, possession, and sale of liquor in Indian country have, since treaty times, been clearly recognized as matters of special concern of Indian Tribes and the United States Federal Government. The sale of liquor in Indian country remains exclusively subject to their legislative enactments.
- B. Beginning with the Treaty of Medicine Creek, Art. IX, to which the ancestors of the Squaxin Island Indian Tribe were parties, the federal government has respected this Tribe's determination regarding liquor-related transactions and activities in Indian country. At treaty times, the Squaxin Island Tribe's ancestors desired to exclude "ardent spirits" from their reservation. This desire was honored by Congress in the enactment of 18 U.S.C. Section 1154 and 18 U.S.C. Section 1161, which prohibited the introduction of liquor into the Squaxin Island Indian Reservation unless and until the Squaxin Island Indian Tribe has decided when and to what extent liquor transactions shall be permitted. The Squaxin Island Tribal Constitution, Art. III Section 1(b), empowers the Tribal Council to use and manage tribal property. The Tribal Council by this code is exercising this power by providing for tribal liquor sales in Indian country as a tribal business.

(Res. 07-25 (part): Res. 81-12 § 1: Res. 80-64 § 1: Res. 80-11: Res. 79-40 (part))

6.12.015 Scope.

- A. Application. This chapter shall apply to the full extent of the sovereign jurisdiction of the Squaxin Island Tribe in Indian country.
- B. Compliance with this chapter is hereby made a condition of the use of any land or premises in Indian country.
- C. Deemed to Consent. Any person who resides, conducts business, engages in a business transaction, receives benefits from the Tribal government, including police, fire or emergency services, acts under Tribal authority, or enters the Indian country under the jurisdiction of the Squaxin Island Tribe, shall be deemed thereby to have consented to the following:
 - 1. To be bound by the terms of this chapter;
 - 2. To the exercise of civil jurisdiction by the Squaxin Island Tribal Court over said person in legal actions arising pursuant to this chapter; and
 - 3. To detainment, service of summons and process, and search and seizure, in conjunction with legal actions arising pursuant to this chapter.

(Res. 07-25 (part))

6.12.020 Definitions.

As used in this chapter, the following words shall have the following meanings unless the context clearly requires otherwise.

"Alcohol" means that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance.

"Alcoholic beverage" is synonymous with the term liquor as defined in this section.

"Beer" means any beverage obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than four percent of alcohol by volume. For the purposes of this chapter, any such beverage, including ale, stout, and porter, containing more than four percent of alcohol by weight shall be referred to as "strong beer."

"Council" means the Squaxin Island Tribal Council.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151 means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine, and beer), and all fermented, spirituous, vinous, or malt liquor or combinations thereof, and mixed liquor, a part of which is fermented, spirituous, vinous, or malt liquor, or otherwise intoxicating; and every liquid or solid or semi-solid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption and any liquid, semi-solid, solid, or other substances, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating.

"Malt liquor" means beer, strong beer, ale, stout, and porter.

"Package" means any container or receptacle used for holding liquor.

"Public place" includes streets and alleys of incorporated cities and towns; state or county or tribal or federal highways or roads, buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments where beer may not be sold under this chapter, soft drink establishments, public buildings, public meeting halls, lobbies, halls, and dining rooms of hotels, restaurants, theaters, stores, garages, and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds, and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

"Sale" or "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever of liquor, or of any liquid known or described as beer or by any name whatsoever commonly used to describe malt or brewed liquor or wine, by any person to any person.

"Tavern" means any establishment with special space and accommodations for sale by the glass and for consumption on the premises, of beer, as herein defined.

"Tribal Council" means the Squaxin Island Tribal Council.

Title 6 TRIBAL ENTERPRISES

"Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, etc.) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during, or after fermentation, and containing not more than seventeen (17) percent of alcohol by weight.

(Res. 07-25 (part); Res. 81-12 § 2; Res. 80-64 § 2; Res. 79-40 (part))

6.12.030 Authority of the Tribal Council.

- A. General. The Tribal Council shall have complete authority to carry out and enforce the provisions of this code, and to delegate such of its responsibilities as it deems appropriate.
- B. Tribal Council Not to Profit. Members of the Tribal Council may not accept any gratuity related to their provision for liquor sales, and may not have a personal business interest in such sales on the reservation.
- C. Powers and Duties. The Tribal Council shall have the following powers and duties:
 - 1. To make, publish, and enforce necessary rules and regulations governing the tribal business of the sale and distribution of alcoholic beverages on the reservation;
 - 2. To provide for the sale of liquor under Council authority, and to employ managers and other personnel as shall be reasonably necessary to allow the Council to perform its functions;
 - 3. To provide for appropriate warehouse and sales facilities;
 - 4. To contract with liquor wholesalers and distributors for the purchase and delivery of alcoholic beverages; and
 - 5. To take orders, receive and distribute shipments of alcoholic beverages, establish wholesale base prices, set and collect taxes and fees, and to keep accurate records, books and accounts.
- D. Inspection. The Council may at any time inspect warehouse or sale areas on the reservation, and all financial records of purchases and sales.

(Res. 07-25 (part); Res. 81-12 § 3; Res. 80-64 § 3; Res. 79-40 (part))

6.12.040 Sales.

- A. All Sales by Tribe. All sales on the reservation shall be made by the Squaxin Island Tribe or its enterprises, except as otherwise specifically approved by the Tribal Council.
- B. Sales—Method of Payment. All sales at reservation liquor stores, bars, taverns, gaming facilities, hotels, restaurants, and other similar locations shall be on a cash, cash equivalent, credit card or check only basis and no credit shall be extended to any person, organization, or entity.
- C. Sales to Minors. No tribal liquor store, bar, tavern, gaming facility, hotel, restaurant or other location shall sell liquor to any person under twenty-one (21) years of age. Any one of the following which shows the person's current age and bears his or her signature and photograph shall be suitable for identification purposes, if valid:
 - 1. Liquor control authority card of any state;
 - 2. Driver's licenses of any state or "identification card" issued by any state department of motor vehicles;
 - 3. United States active duty military identification;
 - 4. Passport; and
 - 5. Tribal identification or enrollment card.

D. Refusal to Sell. A tribal liquor store may refuse to sell liquor to persons under the following circumstances:

1. When that person does not provide satisfactory proof that he or she is at least twenty-one (21) years of age;
2. When that person is apparently intoxicated; or
3. When the Tribal Council has determined that a particular person and/or his or her family is significantly detrimentally affected by the abuse of alcohol.

(Res. 07-25 (part); Res. 03-49 § 1; Res. 81-12 § 4; Res. 80-64 § 4; Res. 79-40 (part))

(Res. No. 13-19, 3-28-13)

6.12.050 Property control.

A. Liquor Stamp. No alcohol beverage except for wine and beer shall be sold by a tribal liquor store unless its package has affixed to it a stamp of the Council.

B. Restricted Tribal Property. The entire stock of liquor and alcoholic beverages owned by the Tribe and kept for sale on the reservation shall remain restricted property of the Tribe until sold.

(Res. 07-25 (part); Res. 81-12 § 5; Res. 80-64 § 5; Res. 79-40 (part))

Chapter 6.14 CIGARETTE SALES AND TAX CODE

Sections:

[6.14.010 Authority.](#)

[6.14.020 Purpose.](#)

[6.14.030 Scope.](#)

[6.14.040 Definitions.](#)

[6.14.050 Cigarette tax—Compact with Washington State.](#)

[6.14.060 Cigarette tax—Levy.](#)

[6.14.070 Cigarette tax—Exemptions from—Other taxes.](#)

[6.14.080 Cigarette tax—Collection and payment of.](#)

[6.14.090 Cigarette tax—Use of Tribal levy.](#)

[6.14.100 Cigarette tax—Audit.](#)

[6.14.110 Cigarette tax—Prior resolutions.](#)

[6.14.120 Cigarette sales—Permitted.](#)

[6.14.130 Short title.](#)

[6.14.140 Severability.](#)

6.14.010 Authority.

The Squaxin Island Tribal Council's authority to adopt the ordinance codified in this title is found in the Squaxin Island Tribal Constitution and in the inherent sovereignty of the Squaxin Island Tribe to regulate its own territory and activities therein.

(Res. 02-20 (part))

6.14.020 Purpose.

The Squaxin Island Tribal Council finds that regulation of the sale of cigarettes is essential to the health and welfare of the Squaxin Island Tribe and its members. The Tribal Council further finds that a tax base is essential to the Tribe's ability to provide goods and services, and to finance government operations and economic development, for the safety, health and welfare of the Squaxin Island Tribe, its members, and those who work on, live on, and visit the Tribe's Indian country. Therefore, in the public interest and for the welfare of the people of the Squaxin Island Tribe, its employees, the residents of and visitors to Indian country, the Squaxin Island Tribal Council, in the exercise of its authority under the Tribal Constitution, declares its purpose by the provisions of this chapter to regulate the sale of cigarettes and to impose, collect and administer taxes on the retail sale of cigarettes.

(Res. 02-20 (part))

6.14.030 Scope.

- A. Application. This chapter shall apply to the full extent of the sovereign jurisdiction of the Squaxin Island Tribe in Indian country.
- B. Compliance with this chapter is hereby made a condition of the use of any land or premises in Indian country.
- C. Deemed to Consent. Any person who resides, conducts business, engages in a business transaction, receives benefits from the Tribal government, including police, fire or emergency services, acts under Tribal authority, or enters the Indian country under the jurisdiction of the Squaxin Island Tribe, shall be deemed thereby to have consented to the following:
 - 1. To be bound by the terms of this chapter;
 - 2. To the exercise of civil jurisdiction by the Squaxin Island Tribal Court over said person in legal actions arising pursuant to this chapter; and
 - 3. To detainment, service of summons and process, and search and seizure, in conjunction with legal actions arising pursuant to this chapter.

(Res. 02-20 (part))

6.14.040 Definitions.

The following definitions apply throughout this chapter unless otherwise specified or the context clearly indicates otherwise:

"Auditor" means an independent third party auditor selected pursuant to Section 6.14.100 of this chapter.

"Carton" or "carton of cigarettes" means a carton of two hundred (200) cigarettes.

"Cigarette" means any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and irrespective of the tobacco being flavored, adulterated, or mixed with any other ingredient, where such roll has a wrapper or cover made of paper or any material, except where such wrapper is wholly or in the greater part made of natural leaf tobacco in its natural state.

"Contract" means the compact entered into by the Squaxin Island Tribe and the state of Washington dated December 10, 2001.

"Court" means the Squaxin Island Tribal Court, and includes the Squaxin Island Tribe Court of Appeals.

Title 6 TRIBAL ENTERPRISES

"Department" means the state of Washington Department of Revenue.

"Essential government services" means services such as Tribal administration, public facilities, fire, police, public health, education, job services, sewer, water, environmental and land use, transportation, utility services, and economic development.

"General fund" means the Squaxin Island Tribe general fund.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151 means:

- A. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights of way running through the reservation; and
- B. All Indian allotments or other lands held in trust for a Squaxin Island Tribal member or the Tribe, the Indian titles to which have not been extinguished, including rights of way running through the same.

"Local retail sales tax" means the combined Washington local retail sales taxes applicable in the area.

"Non-Indian" means an individual who is neither a Tribal member nor a nonmember Indian.

"Nonmember Indian" means an enrolled member of a federally recognized Indian Tribe other than the Squaxin Island Tribe.

"Person" means and includes any natural individual, company, partnership, firm, joint venture, association, corporation, estate, trust, political entity, or other identifiable entity.

"Retail selling price" means the ordinary, customary, or usual price paid by the consumer for each package of cigarettes, which price includes the Tribal cigarette tax.

"Self-certified tribal wholesaler" means a wholesaler who is a federally recognized Indian Tribe or a member of such a Tribe, who is not required to be licensed under any state law, and who has by letter certified to the Department that it will abide by the terms of the Contract and who has signed a contract with the Tribe requiring it to abide by the terms of the Contract.

"Self-certified wholesaler" means an out-of-state wholesaler who is not a self-certified tribal wholesaler and who has by letter certified to the Department that it will abide by the terms of the Contract and who has signed a contract with the Tribe requiring it to abide by the terms of the Contract.

"Squaxin Island Indian Reservation" or "reservation" means the area recognized as the Squaxin Island Indian Reservation by the United States Department of the Interior.

"State" means the state of Washington.

"Tobacco products" means cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking. "Tobacco product" does not include cigarettes.

"Tribal cigarette tax" means the tax or taxes enacted as a provision of Tribal law on the units of cigarettes sold and on the purchase of cigarettes by retail buyers.

"Tribal Council" means the Squaxin Island Tribal Council.

"Tribal member" means an enrolled member of the Squaxin Island Tribe.

"Tribal retailer" means a cigarette retailer wholly owned by the Squaxin Island Tribe and located in Indian country.

"Tribal tax stamp" means the stamp or stamps that indicate the Squaxin Island Tribal cigarette tax imposed under the Contract is paid or that identify those cigarettes with respect to which no tax or another Tribal tax is imposed.

Title 6 TRIBAL ENTERPRISES

"Tribe" or "Tribal" means or refers to the Squaxin Island Tribe.

"Wholesaler" means every person who purchases, sells, or distributes cigarettes for the purpose of resale only.

(Res. 02-20 (part))

6.14.050 Cigarette tax—Compact with Washington State.

On December 10, 2001, the Tribe entered into a compact with the State of Washington regarding the sale and taxation of cigarettes in Indian Country (the "Contract"). In accordance with the terms of the Contract and during its term:

- A. The Tribe shall not engage in mail order type sales, such as internet, catalog, and telephone sales, to Washington residents outside of Indian country, unless and until the state and the Tribe have entered into a memorandum of agreement in regard to the taxability of such sales.
- B. "Tribal retailer" refers to the Kamilche Trading Post and the Little Creek Casino.
 1. The Tribe will notify the Department thirty (30) days prior to the start up of cigarette sales by any other Tribal retailer.
 2. The Tribe will provide information regarding the status of land upon which any Tribal retailer is located at least thirty (30) days prior to the startup of any new cigarette sales by such retailer.
- C. Tribal retailers may purchase cigarettes for sale in Indian country only from:
 1. Wholesalers or manufacturers licensed to do business in the state of Washington;
 2. Self-certified wholesalers who meet the requirements of Part VI section 2 of the Contract;
 3. Self-certified tribal wholesalers who meet the requirements of Part VI section 3 of the Contract; and
 4. The Tribe or its enterprises as a Tribal manufacturer.
- D. All cigarettes sold by the Tribal retailer shall bear a Tribal tax stamp, including cigarettes subject to the Tribal cigarette tax, the Tribal member cigarette tax, or exempt from either of these taxes. The stamps shall be purchased and affixed in accordance with the terms of the Contract.
- E. The Squaxin Island Tribe, or its designee, shall notify the state Department of Revenue seventy-two (72) hours in advance of all shipments of cigarettes by the self-certified wholesaler or self-certified tribal wholesaler to the Tribe or Tribal retailers. Such notice shall include who is making the shipment (meaning who is the wholesaler), detail regarding both quantity and brand, and the invoice order number.
- F. No person shall sell or give, or permit to be sold or given, cigarettes to any person under the age of eighteen (18). If a violation of this Section 6.40.050(F) is reported to the Tribe:
 1. The Tribe shall investigate the allegation; and
 2. When there is probable cause to believe a violation has occurred, cite the individual who is alleged to have made a sale or gift in violation of Section 6.40.050(F) for such violation and apply the following penalties to the individual:
 - a. Upon a first violation, a fine of two hundred fifty dollars (\$250.00);
 - b. Upon a second violation within any rolling one-year period, a fine of five hundred dollars (\$500.00);
 - c. Upon a third violation within any rolling one-year period, a fine of seven hundred fifty dollars (\$750.00);

Title 6 TRIBAL ENTERPRISES

- d. Upon a fourth violation within any rolling two-year period, a fine of one thousand dollars (\$1,000.00); and
 - e. Upon a fifth violation within any rolling two-year period, a fine of one thousand dollars (\$1,000.00) and termination from employment. Upon the fifth violation within any rolling two-year period, the individual shall no longer be permitted to make cigarette sales in Indian country for a period of no less than one year.
3. It shall be no defense to a citation for a violation of Section 6.40.050(F) that the purchaser acted, or was believed by the defendant to act, as agent or representative of another.
 4. It shall be a defense to a citation for a violation of Section 6.40.050(F) that the person making a sale reasonably relied on officially issued identification that shows the purchaser's age and bears his or her signature and photograph.

(Res. 02-20 (part))

6.14.060 Cigarette tax—Levy.

- A. Beginning no later than March 31, 2002, the Tribe shall impose taxes, pursuant to the terms of this section, on all sales by Tribal retailers of cigarettes to non-Indian and nonmember Indian purchasers within Indian country.
- B. The Tribal tax rate shall be as follows:
 1. For the first thirty-six (36) months ("phase-in period"), the tax rate shall equal no less than the sum of an amount equal to eighty (80) percent of the State cigarette tax, which is expressed in cents per cigarette, plus an amount equal to eighty (80) percent of the state and local retail sales taxes. This phase-in period may be reduced in accordance with Section 6.14.060(C).
 2. No later than thirty-six (36) months after the initial imposition of tax under this section, and subject to the phase-in period reduction under Section 6.14.060(C), the Tribal tax rate shall be no less than the sum of an amount equal to one hundred (100) percent of the state cigarette tax, which is expressed in cents per cigarette, plus an amount equal to one hundred (100) percent of the state and local retail sales taxes.
- C. If during any quarter the number of cartons of cigarettes, excluding those manufactured by the Squaxin Island Tribe or its enterprises, that are sold at retail exceeds by at least ten (10) percent the quarterly average sales of the six months preceding the imposition of the Tribal cigarette tax, the 36-month phase-in period shall be reduced by three months. These reductions will be cumulative. The quarterly average sales baseline shall be determined by the Auditor. For the purposes of this provision:
 1. "Quarter" means a three-month period, each quarter immediately succeeding the next. The first quarter begins the first day of the first month the Tribal cigarette tax is imposed, if the imposition of the tax is on or before the 15th of the month, or begins the first day of the second month the Tribal cigarette tax is imposed, if the imposition of the tax is after the 15th of the month; and
 2. The "quarterly average sales" means the sum of the retail sales made during the two quarters divided by two.
- D. During the term of the Contract, upon any future increase in the state cigarette tax, state retail sales tax, or local retail sales tax, the Tribal tax on cigarettes shall increase by no less than one hundred (100) percent of the increase in the combined state and local tax rates; provided, however, that during the phase-in period the Tribal tax rate shall be set that it is at least equal to eighty (80) percent of the then-current combined state cigarette tax and state and local sales tax.
- E. During the term of the Contract, upon any future decrease in the state cigarette tax, state retail sales tax, or local retail sales tax, the Tribal tax on cigarettes may decrease to a minimum of no less than one hundred (100) percent of the combined state and local tax rates; provided, however, that during

Title 6 TRIBAL ENTERPRISES

the phase-in period the Tribal tax rate shall be set that it is at least equal to eighty (80) percent of the then-current combined state cigarette tax and state and local sales tax.

- F. The following sales shall not be subject to a general Tribal sales tax levy under other provision of Tribal law:
1. All cigarettes manufactured by the Squaxin Island Tribe or its enterprises in Indian Country;
 2. All other cigarettes whenever a Tribal cigarette tax or Tribal member cigarette tax is imposed on those cigarettes during the term of a compact with the state of Washington.

(Res. 02-20 (part))

6.14.070 Cigarette tax—Exemptions from—Other taxes.

The following shall not be subject to the cigarette tax levy:

- A. Sales of tobacco products;
- B. Sales of cigarettes to enrolled members of the Squaxin Island Tribe. However, such sales are subject to a Tribal member cigarette tax, which shall be equal to the tax levied under Section 6.14.060 on sales to non-Indians and nonmember Indians. The tax revenue from sales to enrolled members of the Squaxin Island Tribe shall be exempt from the prohibition on subsidization in Section 6.14.090.
- C. Sales of cigarettes manufactured by the Squaxin Island Tribe or its enterprises within Indian country.
- D. Mail order type sales of cigarettes, such as internet, catalog, and telephone sales, to purchasers outside of Indian country and outside of Washington State.

(Res. 02-20 (part))

6.14.080 Cigarette tax—Collection and payment of.

- A. Every person engaged in retail sales of cigarettes in Indian country who is liable for collecting the Tribal cigarette tax levy or Tribal member cigarette tax levy, shall maintain accurate written records of the purchase, stamping, and retail sales of cigarettes, and shall make such records available for inspection by the Tribal finance officer and/or Auditor retained by the Tribe. Records shall be maintained for no less than three years after the audit is accepted by the appropriate federal oversight agency.
- B. All applicable taxes shall be paid prior to the sale, distribution, or transfer of possession of any cigarettes. During the term of the Contract, the terms of the Contract regarding the purchase, stamping, transportation and sale of cigarettes shall apply.
- C. Whenever cigarette taxes are paid by any person other than the consumer, user or possessor, that payment shall be considered a pre-collection of such taxes due. When the tax is prepaid by another, this amount is part of the selling price of the cigarette to the retail purchaser.

(Res. 02-20 (part))

6.14.090 Cigarette tax—Use of Tribal levy.

- A. Tribal cigarette tax revenue shall be used only for essential government services, and may not be used to subsidize Tribal cigarette and food retailers. For the purposes of this section, "subsidize" means that proceeds from the Tribal cigarette tax pursuant to the Contract cannot be expended on the enterprise activities of the Tribal retail cigarette business. In addition, where the cigarette

Title 6 TRIBAL ENTERPRISES

business is co-located with a retail food business, the proceeds cannot be expended to support that business.

1. "Enterprise activities" include paying wages, benefits, bonuses or expenses, related to the maintenance and operation of the retail facility or typically considered to be part of a business' operating expenses and overhead.
2. "Non-enterprise activities" include, but are not limited to: government services to provide and maintain infrastructure such as sidewalks, roads, and utilities; services such as fire protection and law enforcement; the costs of administering deductions and exemptions similar to those available to retailers, wholesalers and others under state law; Tribal administration activities such as tax functions, contracting for health benefits, economic development, natural resources, and the provision of job services; and distribution of moneys related to trust funds, education, and general assistance.

B. Tribal member cigarette tax revenue is not subject to the requirements of this section.

(Res. 02-20 (part))

6.14.100 Cigarette tax—Audit.

The Tribe shall retain a third-party independent auditor for the purposes of verifying compliance with the Contract. The Auditor shall perform all work required under Part VIII of the Contract.

(Res. 02-20 (part))

6.14.110 Cigarette tax—Prior resolutions.

Prior Tribal Council resolutions dealing with the levy of Tribal cigarette taxes are superseded by this chapter.

(Res. 02-20 (part))

6.14.120 Cigarette sales—Permitted.

Tribal retailers are the only retail businesses authorized to sell cigarettes within Indian country.

(Res. 02-20 (part))

6.14.130 Short title.

This act shall be known and cited as the Squaxin Island Cigarette Sales and Tax Code.

(Res. 02-20 (part))

6.14.140 Severability.

If any provision of this chapter, or its application to any person or circumstance is held invalid, the remainder of the chapter, or the application of the provision to other persons or circumstances, is not affected.

(Res. 02-20 (part))

Chapter 6.15 FUEL SALES AND TAX CODE

Sections:

Title 6 TRIBAL ENTERPRISES

[6.15.010 Authority.](#)

[6.15.020 Purpose.](#)

[6.15.030 Scope.](#)

[6.15.040 Definitions.](#)

[6.15.050 Fuel manufacturing and sales.](#)

[6.15.060 Fuel tax—Levy—Sales to non-Indians and nonmember Indians.](#)

[6.15.070 Fuel tax—Levy—Sales to Tribe and Squaxin Island Tribal members.](#)

[6.15.080 Fuel tax—Collection and payment of.](#)

[6.15.090 Fuel tax—Use of Tribal levy.](#)

[6.15.100 Fuel tax—Prior resolutions.](#)

[6.15.110 Fuel sales—Permitted.](#)

[6.15.120 Short title.](#)

[6.15.130 Severability.](#)

6.15.010 Authority.

The Squaxin Island Tribal Council's authority to adopt the ordinance codified in this title is found in the Squaxin Island Tribal Constitution and in the inherent sovereignty of the Squaxin Island Tribe to regulate its own territory and activities therein.

(Res. 05-50 (part))

6.15.020 Purpose.

The Squaxin Island Tribal Council finds that regulation of the sale of motor vehicle fuels is essential to the health and welfare of the Squaxin Island Tribe and its members. The Tribal Council further finds that tax revenues are essential to the Tribe's ability to provide goods and services, and to finance government operations and economic development, for the safety, health and welfare of the Squaxin Island Tribe, its members, and those who work in, live in, and visit the Tribe's Indian country.

The Squaxin Island Tribal Council finds that there are substantial unmet needs in funding for road construction and maintenance, transportation services, public safety, infrastructure, and governmental programs that serve Tribal members, employees, customers, and other residents of and visitors to Indian country.

In particular, due to an increase in visits to Indian country by nonmember Indians and non-Indians for the purposes of enjoying the Tribe's cultural and enterprises attractions and employment with the Tribe, the Squaxin Island Tribal Council finds that there are new and increased unmet needs for infrastructure development and improvement, including road construction and maintenance, transportation services, sidewalks, lighting, signage, water, and wastewater treatment. The Squaxin Island Tribal Council finds that fuel tax collection is an important element of a plan to fill those unmet needs.

Therefore, in the public interest and for the welfare of the people of the Squaxin Island Tribe, its employees, the residents of and visitors to Indian country, the Squaxin Island Tribal Council, in the exercise of its authority under the Tribal Constitution, declares its purpose by the provisions of this chapter to regulate the sale of motor vehicle fuel and to impose, collect and administer taxes on the retail sale of motor vehicle fuel.

(Res. 05-50 (part))

6.15.030 Scope.

- A. Application. This chapter shall apply to the full extent of the sovereign jurisdiction of the Squaxin Island Tribe in Indian country.
- B. Compliance with this chapter is hereby made a condition of the use of any land or premises in Indian country.
- C. Deemed to Consent. Any person who resides, conducts business, engages in a business transaction, receives benefits from the Tribal government, including police, fire or emergency services, acts under Tribal authority, or enters the Indian country under the jurisdiction of the Squaxin Island Tribe, shall be deemed thereby to have consented to the following:
 - 1. To be bound by the terms of this chapter;
 - 2. To the exercise of civil jurisdiction by the Squaxin Island Tribal Court over said person in legal actions arising pursuant to this chapter; and
 - 3. To detention, service of summons and process, and search and seizure, in conjunction with legal actions arising pursuant to this chapter.

(Res. 05-50 (part))

6.15.040 Definitions.

The following definitions apply throughout this chapter unless otherwise specified or the context clearly indicates otherwise:

"Court" means the Squaxin Island Tribal Court, and includes the Squaxin Island Tribe Court of Appeals.

"Essential government services" mean services that the Squaxin Island Tribe provides to its members and to residents of and visitors to Indian country in order to fulfill its governmental responsibilities.

"Fuel manufacturing" means:

- 1. The blending of motor vehicle fuel to which federally required detergents and other additives have not been added, with those federally required detergents and other additives to render the fuel suitable for use in a motor vehicle;
- 2. The blending of motor vehicle fuel with soy-based additives, denatured alcohol or other similar additives in industry-recommended quantities for the purpose of improving performance, environmental or other aspects of the fuel or of increasing the octane of the resulting product;
- 3. The blending of number 2 diesel fuel with premium diesel additives in industry-recommended quantities for the purpose of improving performance, environmental, or other aspects of the fuel;
- 4. The blending of diesel fuel with soy-based or other additives to improve the lubricity or performance of the resulting product; or
- 5. Other similar processes by which motor vehicle fuels and other ingredients are blended to create a new, improved, or different product.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151 means:

- 1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and

Title 6 TRIBAL ENTERPRISES

2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Motor vehicle fuel" means and includes all fuels normally sold for use in a motor vehicle, including gasoline and diesel products.

"Non-Indian" means an individual who is neither a Tribal member nor a nonmember Indian.

"Nonmember Indian" means an enrolled member of a federally recognized Indian Tribe other than the Squaxin Island Tribe.

"Person" means and includes any natural individual, company, partnership, firm, joint venture, association, corporation, estate, trust, political entity, or other identifiable entity.

"Squaxin Island Indian Reservation" or "reservation" means the area recognized as the Squaxin Island Indian Reservation by the United States Department of the Interior.

"State" means the state of Washington.

"State motor vehicle fuel tax" means the Washington State motor vehicle fuel tax.

"Tribal Council" means the Squaxin Island Tribal Council.

"Tribal member" means an enrolled member of the Squaxin Island Tribe.

"Tribal retailer" means a fuel retailer wholly owned by the Squaxin Island Tribe and located in Indian country.

"Tribe" or "Tribal" means or refers to the Squaxin Island Tribe.

(Res. 05-50 (part))

6.15.050 Fuel manufacturing and sales.

- A. The Squaxin Island Tribe, by and through Island Enterprises, Inc., is authorized to manufacture motor vehicle fuel in Indian country and to make sales of the resulting products to Tribal retailers within Indian country.
- B. Tribal retailers are authorized to make sales of motor vehicle fuel to the ultimate consumer in Indian country. All such sales must be at or above fair market price.

(Res. 05-50 (part))

6.15.060 Fuel tax—Levy—Sales to non-Indians and nonmember Indians.

- A. Effective immediately, the Tribe shall impose taxes, pursuant to the terms of this section, on all sales by Tribal retailers of motor vehicle fuel to non-Indian and nonmember Indian purchasers within Indian country.
- B. The Tribal tax rate shall be as follows:
 1. For motor vehicle fuel manufactured off-reservation and resold to the ultimate consumer from a location in Indian country, the Tribal tax shall be the amount of any credit or exemption the Tribe obtains from the State tax. If the State tax with respect to these fuels is preempted by federal law, the Tribal tax shall be in the amount stated in subsections (B)(2)(a) through (e) of this section.
 2. For motor vehicle fuel manufactured by the Tribe on-reservation and sold to the ultimate consumer from a location in Indian country, the Tribal tax shall be as follows:
 - a. The initial tax rate shall be twenty-eight cents (\$0.28) per gallon;
 - b. Beginning July 1, 2005, the tax rate shall be thirty-one cents (\$0.31) per gallon;

Title 6 TRIBAL ENTERPRISES

- c. Beginning July 1, 2006, the tax rate shall be thirty-four cents (\$0.34) per gallon;
 - d. Beginning July 1, 2007, the tax rate shall be thirty-six cents (\$0.36) per gallon;
 - e. Beginning July 1, 2008, the tax rate shall be thirty-seven and one-half cents (\$0.375) per gallon.
- C. Sales of motor vehicle fuel shall not be subject to a general Tribal sales tax levy under other provision of Tribal law.
- (Res. 05-50 (part))

6.15.070 Fuel tax—Levy—Sales to Tribe and Squaxin Island Tribal members.

- A. Effective immediately, the Tribe shall impose taxes, pursuant to the terms of this section, on all sales by Tribal retailers of motor vehicle fuel to the Squaxin Island Tribe and its governmental departments and enterprises and to Squaxin Island Tribal member purchasers within Indian country.
- B. The Tribal tax rate shall be as follows:
- 1. For motor vehicle fuel manufactured off-reservation and resold to the ultimate consumer from a location in Indian country, the Tribal tax shall be the amount of any credit or exemption the Tribe obtains from the State tax. If the State tax with respect to these fuels is preempted by federal law, the Tribal tax shall be in the amount stated in subsections (B)(2)(a) through (e) of this section.
 - 2. For motor vehicle fuel manufactured by the Tribe on-reservation and sold to the ultimate consumer from a location in Indian country, the Tribal tax shall be as follows:
 - a. The initial tax rate shall be twenty-eight cents (\$0.28) per gallon;
 - b. Beginning July 1, 2005, the tax rate shall be thirty-one cents (\$0.31) per gallon;
 - c. Beginning July 1, 2006, the tax rate shall be thirty-four cents (\$0.34) per gallon;
 - d. Beginning July 1, 2007, the tax rate shall be thirty-six cents (\$0.36) per gallon;
 - e. Beginning July 1, 2008, the tax rate shall be thirty-seven and one-half cents (\$0.375) per gallon.
- C. Sales of motor vehicle fuel shall not be subject to a general Tribal sales tax levy under other provision of Tribal law.
- (Res. 05-50 (part))

6.15.080 Fuel tax—Collection and payment of.

Every person engaged in retail sales of motor vehicle fuel in Indian country is liable for collecting the Tribal fuel tax levy or Tribal member fuel tax levy. That person shall maintain accurate written records of the purchase and retail sales of motor vehicle fuel, and shall make such records available for inspection by the Tribal finance officer and/or third party auditor retained by the Tribe. Records shall be maintained for no less than three years after the audit is accepted by the appropriate federal oversight agency.

(Res. 05-50 (part))

6.15.090 Fuel tax—Use of Tribal levy.

Tribal motor vehicle fuel tax revenue shall be used only for essential government services, including, but not limited to: planning, construction, and maintenance of roads and transit services; government services to provide and maintain infrastructure such as sidewalks, signs, and utilities; and law enforcement.

(Res. 05-50 (part))

6.15.100 Fuel tax—Prior resolutions.

Prior Tribal Council resolutions dealing with the levy of Tribal motor vehicle fuel taxes are superseded by this chapter.

(Res. 05-50 (part))

6.15.110 Fuel sales—Permitted.

Tribal retailers are the only retail businesses authorized to sell motor vehicle fuel within Indian country.

(Res. 05-50 (part))

6.15.120 Short title.

This act shall be known and cited as the Squaxin Island Fuel Sales and Tax Code.

(Res. 05-50 (part))

6.15.130 Severability.

If any provision of this chapter, or its application to any person or circumstance is held invalid, the remainder of the chapter, or the application of the provision to other persons or circumstances, is not affected.

(Res. 05-50 (part))

Chapter 6.16 COMMERCIAL BRUSH PICKING

Sections:

[6.16.010 Territory.](#)

[6.16.020 Tribal members only.](#)

[6.16.030 Permits.](#)

[6.16.040 Permit fees.](#)

[6.16.050 Techniques.](#)

[6.16.060 Noncompliance.](#)

[6.16.070 Violation—Penalty.](#)

6.16.010 Territory.

This chapter governs the picking of brush for commercial purposes on tribally owned lands on the Squaxin Island Reservation. A map is attached that indicates which portions of Squaxin Island are available for brush picking. All other areas are closed to brush picking without written permission from the owner and a permit to cross tidelands from the Tribal Council.

(Res. 94-24 (part))

6.16.020 Tribal members only.

Only tribal members may pick brush on the reservation, except for a spouse and children when the member is present and engaged in brush picking activities. No other non-tribal members may assist in any way in brush picking.

(Res. 94-24 (part))

6.16.030 Permits.

All tribal members wishing to pick brush commercially must have a permit. Any tribal member may apply for a permit. Spouses and children under sixteen (16) years old may be included on the permit.

- A. Permits will be issued by the Natural Resources Department for a period of one year from date of issuance.
- B. The original permit shall be retained on file by the Natural Resources Department. One copy will be submitted to law enforcement. One copy will be held by the permittee and must be in his/her possession when picking brush.
- C. A copy of the ordinance adopted by the resolution codified in this chapter shall be attached to each permit issued.

(Res. 94-24 (part))

6.16.040 Permit fees.

There will be a fee of twenty-five dollars (\$25.00) required for a brush picking permit for an individual tribal member. If the spouse is included on the permit then the fee shall be fifty dollars (\$50.00).

(Res. 94-24 (part))

6.16.050 Techniques.

No mechanized equipment shall be used. Other requirements may be imposed by the Natural Resources Department and will be set out in the permit.

(Res. 94-24 (part))

6.16.060 Noncompliance.

Failure to comply with any of the sections of this chapter will be considered a violation and penalties will be imposed.

(Res. 94-24 (part))

6.16.070 Violation—Penalty.

The following penalties will be imposed for violations:

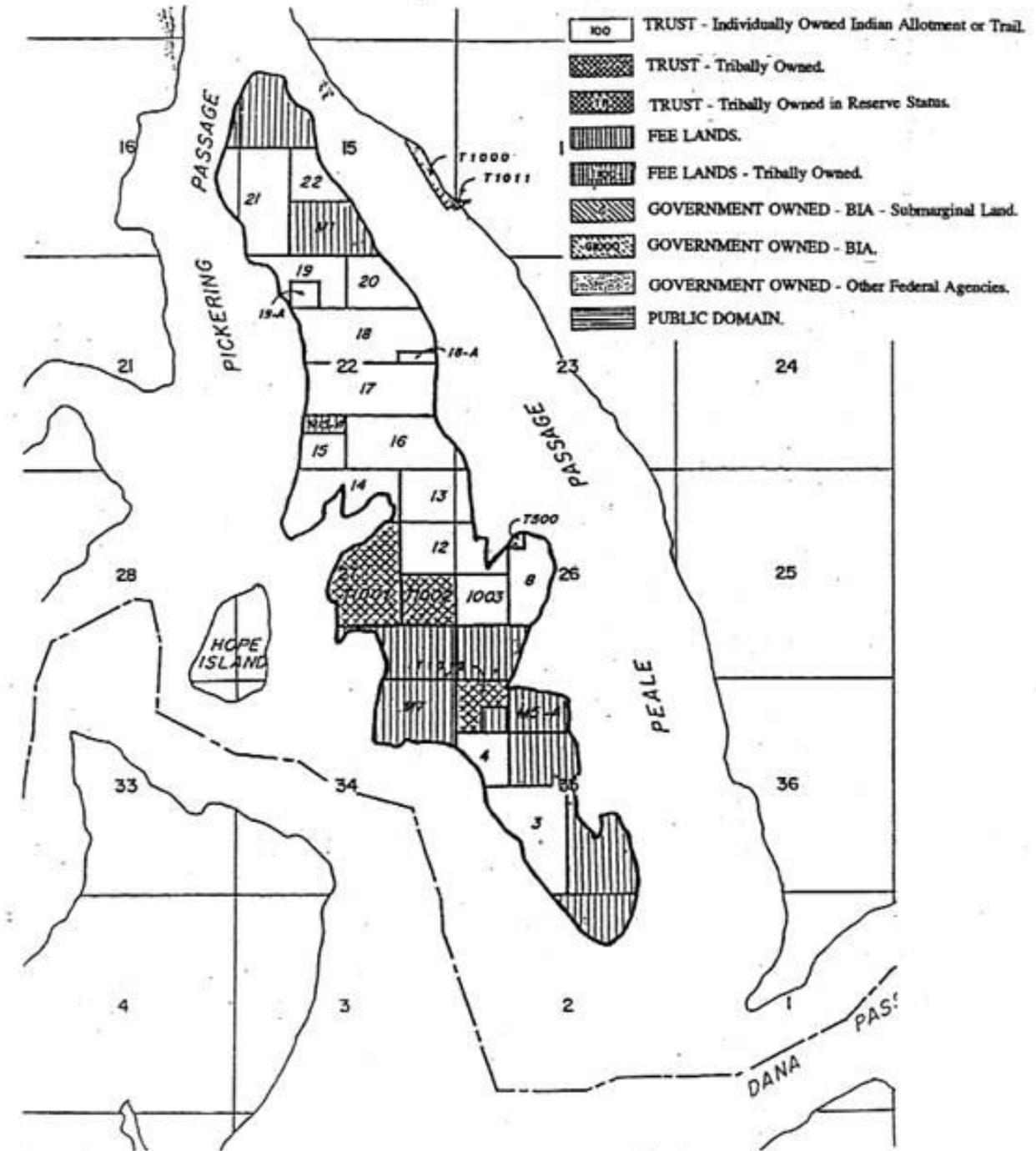
- A. Confiscation of brush found in possession at the time of the violation.
- B. The permit shall be revoked. No new permit will be issued for one year.

Title 6 TRIBAL ENTERPRISES

C. The violator shall be subject upon conviction in a civil trial in Tribal Court to a civil penalty of two hundred fifty dollars (\$250.00).

(Res. 94-24 (part))

Map



Chapter 6.17 ROOM OCCUPANCY TAX CODE

Sections:

[6.17.010 Authority.](#)

[6.17.020 Purpose.](#)

[6.17.030 Scope.](#)

[6.17.040 Definitions.](#)

[6.17.050 Room occupancy tax—Levy.](#)

[6.17.060 Room occupancy tax—Exemptions from.](#)

[6.17.070 Room occupancy tax—Collection and payment of.](#)

[6.17.080 Room occupancy tax—Use of Tribal levy.](#)

[6.17.090 Room occupancy tax—Audit.](#)

[6.17.100 Temporary lodging businesses—Permitted.](#)

[6.17.110 Short title.](#)

[6.17.120 Severability.](#)

6.17.010 Authority.

The Squaxin Island Tribal Council's authority to adopt the resolution codified in this chapter is found in the Squaxin Island Tribal Constitution and in the inherent sovereignty of the Squaxin Island Tribe to regulate its own territory and activities therein.

(Res. 05-95 (part))

6.17.020 Purpose.

The Squaxin Island Tribal Council finds that regulation of the operation of motels, hotels, and other temporary lodging businesses in Indian country is essential to the health and welfare of the Squaxin Island Tribe and its members. The Tribal Council further finds that tax revenues are essential to the Tribe's ability to provide goods and services, and to finance government operations and economic development, for the safety, health and welfare of the Squaxin Island Tribe, its members, and those who work on, live on, and visit the Tribe's Indian country. Therefore, in the public interest and for the welfare of the people of the Squaxin Island Tribe, its employees, the residents of and visitors to Indian country, the Squaxin Island Tribal Council, in the exercise of its authority under the Tribal Constitution, declares its purpose by the provisions of this chapter to regulate the operation of motels, hotels, and other temporary lodging businesses in Indian country and to impose, collect and administer taxes on room occupancy.

(Res. 05-95 (part))

6.17.030 Scope.

- A. Application. This chapter shall apply to the full extent of the sovereign jurisdiction of the Squaxin Island Tribe in Indian country.
- B. Compliance with this chapter is hereby made a condition of the use of any land or premises in Indian country.

Title 6 TRIBAL ENTERPRISES

- C. Deemed to Consent. Any person who resides, conducts business, engages in a business transaction, receives benefits from the Tribal government, including police, fire or emergency services, acts under Tribal authority, or enters the Indian country under the jurisdiction of the Squaxin Island Tribe, shall be deemed thereby to have consented to the following:
1. To be bound by the terms of this chapter;
 2. To the exercise of civil jurisdiction by the Squaxin Island Tribal Court over said person in legal actions arising pursuant to this chapter; and
 3. To detention, service of summons and process, and search and seizure, in conjunction with legal actions arising pursuant to this chapter.

(Res. 05-95 (part))

6.17.040 Definitions.

The following definitions apply throughout this chapter unless otherwise specified or the context clearly indicates otherwise:

"Court" means the Squaxin Island Tribal Court, and includes the Squaxin Island Tribe Court of Appeals.

"Essential government services" mean services such as Tribal administration, public facilities, fire, police, public health, education, job services, sewer, water, environmental and land use, transportation, utility services, and economic development.

"General fund" means the Squaxin Island Tribe general fund.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151 means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Person" means and includes any natural individual, company, partnership, firm, joint venture, association, corporation, estate, trust, political entity, or other identifiable entity.

"Room rental charge" means the actual amount charged for the rental of a motel, hotel, or other temporary lodging room before applicable taxes.

"Squaxin Island Indian Reservation" or "reservation" means the area recognized as the Squaxin Island Indian Reservation by the United States Department of the Interior.

"Tribal Council" means the Squaxin Island Tribal Council.

"Tribal member" means an enrolled member of the Squaxin Island Tribe.

"Tribe" or "Tribal" means or refers to the Squaxin Island Tribe.

(Res. 05-95 (part))

6.17.050 Room occupancy tax—Levy.

- A. Beginning no later than April 1, 2004, the Tribe shall impose taxes, pursuant to the terms of this section, on the rental of guest rooms in motel, hotel, and other temporary lodging facilities within Indian country.
- B. The Tribal tax rate shall be ten (10) percent of the room rental charge.

(Res. 05-95 (part))

6.17.060 Room occupancy tax—Exemptions from.

[Reserved.]

(Res. 05-95 (part))

6.17.070 Room occupancy tax—Collection and payment of.

Every person engaged in the rental of motel, hotel, and other temporary lodging rooms in Indian country who is liable for collecting the Tribal room occupancy tax levy shall maintain accurate written records of room rental charges and room occupancy taxes charged and received, and shall make such records available for inspection by the Tribal finance officer and/or third party auditor retained by the Tribe. Records shall be maintained for no less than three years after the audit is accepted by the appropriate federal oversight agency.

(Res. 05-95 (part))

6.17.080 Room occupancy tax—Use of Tribal levy.

Tribal room occupancy tax revenue may be used for any services, programs, or other governmental activities of the Squaxin Island Tribe. Initially, the Tribal Council has endorsed the use of room occupancy tax revenue to fund the positions of tourism director and cultural tourism activities coordinator.

(Res. 05-95 (part))

6.17.090 Room occupancy tax—Audit.

The Tribe may retain a third-party independent auditor for the purposes of verifying compliance with this chapter.

(Res. 05-95 (part))

6.17.100 Temporary lodging businesses—Permitted.

The Squaxin Island Tribe and its wholly owned enterprises are the only entities authorized to operate motels, hotels, or other temporary lodging businesses within Indian country.

(Res. 05-95 (part))

6.17.110 Short title.

This act shall be known and cited as the Squaxin Island Room Occupancy Tax Code.

(Res. 05-95 (part))

6.17.120 Severability.

If any provision of this chapter, or its application to any person or circumstance is held invalid, the remainder of the chapter, or the application of the provision to other persons or circumstances, is not affected.

(Res. 05-95 (part))

Chapter 6.24 BUSINESS ADMINISTRATION BOARD*

Sections:

[6.24.010 Title.](#)

[6.24.020 Purpose.](#)

[6.24.030 Business Administration Board established.](#)

[6.24.040 Definitions.](#)

[6.24.050 Rights, privileges and immunities.](#)

[6.24.060 Good faith.](#)

[6.24.070 Restrictions on corporate activity.](#)

[6.24.080 Membership.](#)

[6.24.090 Appointments for Business Administration Board membership.](#)

[6.24.100 Removal.](#)

[6.24.110 Business Administration Board powers.](#)

[6.24.120 Miscellaneous provisions.](#)

6.24.010 Title.

This chapter shall be known as the "Squaxin Island Business Administration Board Ordinance."

(Res. 07-16 (part); Res. 99-80 (part))

6.24.020 Purpose.

To create a commission to be known as the Squaxin Island Business Administration Board whose function is to incorporate new businesses in Indian country, and to regulate commerce in Indian country.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.24.030 Business Administration Board established.

The Tribal Council of the Squaxin Island Tribe has the inherent sovereign and constitutional power to control and manage the economic affairs of the Tribe and to establish and operate such commercial corporate administrations as it may deem proper and to regulate those who transact business for the purpose of conducting commerce under regulations promulgated herein on territories under the jurisdiction of the Squaxin Island Tribe. It is hereby declared that the conduct of commerce on said territories is vital to the economic security, political integrity and general health and welfare of the Tribe and its members. Therefore, to protect these interests of the Tribe, a commission to be known as the Business Administration Board is chartered as an authorized independent commission with those powers expressly delegated by the Tribal Council.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.040 Definitions.

For the purposes of this chapter, unless the context requires otherwise:

"Business Administration Board" means the Squaxin Island Business Administration Board.

"Commissioner of Business Affairs" and "commissioner" shall have the meaning set forth in Section 6.24.080 of this chapter.

"Corporation" means a tribal or non-tribally owned public or private corporation.

"Court" means the Squaxin Island Tribal Court, including its civil, criminal and employment divisions and the Squaxin Island Tribal appellate court.

"Domestic corporation" means every corporation organized under the laws of the Tribe.

"Foreign corporation" means any corporation organized under the laws of another Tribe, a state of the United States, or another country and also organized or licensed under the laws of the Squaxin Island Tribe.

"General counsel" means the general counsel to the Squaxin Island Tribe.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151, means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal Member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Ordinance" means the Squaxin Island Business Administration Board ordinance.

"Private corporation" means and includes every company or association, except public corporations.

"Process" means any statutory notice or demand required or permitted to be served on a natural person or a corporation and includes a summons in a civil action and any process which may be issued in any action or proceeding in any court.

"Public corporation" means a corporation wholly owned by the Squaxin Island Tribe, formed solely for public and governmental purposes for enterprise ventures of the Squaxin Island Tribe.

"Reservation" means the territory within the exterior boundaries of the Squaxin Island Indian Reservation, and such other lands without those boundaries as may have been or may hereafter be added to the reservation or held in trust for the Tribe under any law of the United States or otherwise.

"Tribe" means the Squaxin Island Tribe.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.24.050 Rights, privileges and immunities.

The Business Administration Board shall have all of the Tribe's rights, privileges and immunities including, without limitation, sovereign immunity, concerning federal and state taxes and jurisdiction to the same extent that the Tribe would have such rights, privileges and immunities if it were to engage in the activities undertaken by the Business Administration Board.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.060 Good faith.

Notwithstanding any provisions contained in this chapter, all actions taken by the Business Administration Board as a whole and by each individual commissioner in his or her capacity as a Business Administration Board member shall be made in good faith. Failure to act in good faith shall be just cause for removal pursuant to Section 6.24.100 of this chapter.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.070 Restrictions on corporate activity.

No commissioner may sit on the board of directors of any tribally chartered public corporation.

(Res. 99-80 (part))

6.24.080 Membership.

The Business Administration Board shall be a three-member commission, with each member having the title of commissioner. The Commissioner of Business Affairs, who shall be a commissioner so named by the Tribal Council, shall chair the Business Administration Board, ensuring its lawful activity. Each commissioner shall be a Squaxin Island Tribal member, and only one of the three commissioners may be a Tribal Council member. The Business Administration Board shall keep accurate records. Such records shall be prima facie evidence of the facts therein stated.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.090 Appointments for Business Administration Board membership.

The Tribal Council shall initially appoint one individual for a three-year term, one individual for a two-year term, and one individual for a one-year term. The commissioners shall serve until September 1, 2002, September 1, 2001, and September 1, 2000 respectively. Prior to the expiration of each term, the Tribal Council shall appoint individuals to serve in the expiring position. Thereafter, each commissioner shall serve a three-year term.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.100 Removal.

Any commissioner may be removed from office for just cause pursuant to a proceeding commenced in the Tribal Court by a majority vote of the Tribal Council if the Tribal Council determines that the commissioner is engaged in fraudulent or dishonest conduct or gross abuse of authority or discretion with respect to the Business Administration Board and further finds that removal is in the best interest of the Business Administration Board or the Tribe.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.110 Business Administration Board powers.

The Business Administration Board shall have the following powers:

- A. Issue Licenses. The Business Administration Board shall have the power to issue licenses and/or permits and establish fee schedules, to be approved by the Tribal Council, for said license or permits for the operation of business entities in territories under the jurisdiction of the Tribe, and perform those actions required of it pursuant to the provisions of this chapter and Chapters 6.28, 6.32 and 6.36 of the Squaxin Island Tribal Code.

Title 6 TRIBAL ENTERPRISES

- B. **Employ Staff.** Employ, as necessary, qualified individuals who shall be employees of the Business Administration Board.
- C. **Change of Name—External Services.** The Business Administration Board shall have the power to require the change of the name of any domestic business to ensure that said business does not operate under the name of the Squaxin Island Tribe or any other name likely to associate the business with the Tribe or any tribal members, and to authorize any business to apply to any external jurisdiction for the provision of services of any type, including worker's compensation and unemployment compensation.
- D. **Uniform System of Records and Accounting.** The Business Administration Board shall maintain its financial records under the financial record system established by the Tribe.
- E. **Administrative Regulations.** The Business Administration Board shall have the power to propose administrative rules and regulations consistent with the Squaxin Island Tribal Code. All proposed rules and regulations shall be submitted to the Tribal Council for approval and adoption.

(Res. 07-16 (part); Res. 99-80 (part))

6.24.120 Miscellaneous provisions.

- A. **Severability.** If any provision of this chapter or the application thereof to any person, business, corporation or circumstances is held invalid, the invalidity shall not affect other provisions or application of the chapter which can be given effect without the invalid provision or application and, to this end, the provisions of this chapter are declared severable.
- B. **Jurisdiction.** The Tribal Court is granted exclusive subject matter jurisdiction for any cause of action that arises from this chapter, subject to the provisions of Title 4 of the Squaxin Island Tribal Code. Nothing in this chapter shall be construed as a waiver of sovereign immunity of the Tribe or of the Business Administration Board.
- C. **General Counsel.** The General Counsel shall not represent the individual interest of any member of the Business Administration Board in any matter before the Tribal Court, but shall represent the Business Administration Board as a whole in any case where the cause of action arises from the performance of a governmental function or where the judgment would expend itself on the property of the Tribe.
- D. **Applicability of Tribal Code.** Each domestic and foreign business or corporation conducting business under the laws of the Tribe shall be subject to all applicable rules and regulations, including but not limited to taxation now in force and effect or hereinafter in force and effect.
- E. **Criminal Liability for Certain Actions.** No person, business or corporation doing business in Indian country shall offer or receive any kick-back or bribe or attempt to influence or deceive any decision, political or otherwise, of the Business Administration Board or Tribal Council or other officer or appointee of tribal government and any person, business or corporation suspected of so doing may be charged with violating the criminal law of the Tribe.
- F. **Cease and Desist Orders—Injunctions.**
 - 1. Whenever it appears to the Commissioner of Business Affairs that any person or business has engaged in any practice constituting a violation of this chapter, or any rule or order hereunder, or the Squaxin Island Tribal Code, the Commissioner of Business Affairs shall immediately report the facts to the General Counsel, who shall petition any justice of the Tribal Court for an order requiring the person or business to cease and desist from any violation. The order shall be calculated to give reasonable notice of the rights of the person or business to request a hearing thereon and shall state the reason for the entry of the order. A hearing shall be held no later than the next regularly scheduled session of the Tribal Court after the entry of the cease and desist order. If the person or business to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person or business shall be deemed in

Title 6 TRIBAL ENTERPRISES

default, and the proceeding may be determined against such person or business upon consideration of the cease and desist order the allegations of which may be deemed to be true.

2. In any proceeding under the provisions of this chapter, including those where injunctive relief is sought, the Tribal Court shall grant precedence to this chapter cases over all other cases upon the court calendar. These cases shall not be continued without the consent of the Tribal Council, except upon good cause shown to the Court, and then only for the reasonable length of time necessary in the opinion of the Court to protect the rights of the defendant party.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

Chapter 6.28 BUSINESS CORPORATION ORDINANCE

Sections:

[6.28.010 Title.](#)

[6.28.020 Authority.](#)

[6.28.030 Definitions.](#)

[6.28.040 Purposes.](#)

[6.28.050 Corporate name.](#)

[6.28.060 Registered office and registered agent.](#)

[6.28.070 Service of process on corporation.](#)

[6.28.080 Form of application.](#)

[6.28.090 Corporate powers.](#)

[6.28.100 Special powers and privileges of corporations wholly owned by the Squaxin Island Tribe.](#)

[6.28.110 Shares.](#)

[6.28.120 Liability.](#)

[6.28.130 Bylaws and articles of incorporation.](#)

[6.28.140 Incorporation.](#)

[6.28.150 Incorporation—Amendment.](#)

[6.28.160 Board of directors.](#)

[6.28.170 Meetings of the board of directors.](#)

[6.28.180 Corporate officers.](#)

[6.28.190 General standards for directors and officers.](#)

[6.28.200 Shareholders—Meetings—Voting.](#)

[6.28.210 Dissolution.](#)

[6.28.220 Liquidation of corporate assets.](#)

[6.28.230 Certificate of authority to transact business.](#)

[6.28.240 Fees.](#)

[6.28.250 Corporate contracts.](#)

[6.28.260 Merger and consolidation.](#)

[6.28.270 Severability.](#)

[6.28.280 Effective date.](#)

6.28.010 Title.

This chapter shall be known as the Squaxin Island Business Corporation Ordinance.

(Res. 99-80 (part))

6.28.020 Authority.

The Tribal Council of the Squaxin Island Tribe has the inherent sovereign and constitutional power to control and manage the economic affairs of the Tribe and to establish and operate such commercial enterprises as it may deem proper and to regulate those who transact business for the purpose of conducting commerce under regulations promulgated herein on territories under the jurisdiction of the Squaxin Island Tribe. It is declared that the conduct of commerce on said territories is vital to the economic security, political integrity and general health and welfare of the Tribe and its members. Therefore, to protect these interests of the Tribe, the Tribal Council adopts this Business Corporation Ordinance.

(Res. 99-80 (part))

6.28.030 Definitions.

For the purposes of this chapter, unless the context requires otherwise:

"Articles of incorporation" or "articles" shall mean the original or restated articles of incorporation or articles of consolidation and all amendments thereto of the corporations organized hereunder.

"Authorized shares" means the shares of all classes which the corporation is authorized to issue.

"Business Administration Board" has the meaning set forth in Chapter 6.24 of this title.

"Certificate of authority" means a certificate of authority, issued by the Business Administration Board, for a foreign or domestic corporation to transact business in territories under the jurisdiction of the Tribe.

"Corporation" means a corporation, except a foreign corporation, for profit subject to the provisions of this chapter.

"Foreign corporation" means a corporation, for-profit or not-for-profit, organized under laws other than the laws of the Squaxin Island Tribe.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151, means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal Membership or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Net assets" means the amount by which the total assets of a corporation exceed the total debts of the corporation.

"Ordinance" means the Squaxin Island Business Corporation Ordinance.

Title 6 TRIBAL ENTERPRISES

"Reservation" means the territory within the exterior boundaries of the Squaxin Island Indian Reservation, and such other lands without those boundaries as may have been or may hereafter be added to the reservation or held in trust for the Tribe under any law of the United States or otherwise.

"Shareholder" means one who is a holder of record of shares in a corporation. Shareholders of corporations wholly owned by the Tribe shall mean persons recognized as voting members of the Tribal Council of the Tribe.

"Shares" means the units into which the ownership interests in a corporation are divided.

"Tribal Council" means the Tribal Council of the Squaxin Island Tribe as defined pursuant to the Constitution and Bylaws of the Tribe.

"Tribal Court" means the Squaxin Island Tribal Court, including its civil, criminal and employment divisions and the Squaxin Island Tribal appellate court.

"Tribe" means the Squaxin Island Tribe.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.28.040 Purposes.

Corporations may be organized under this chapter for any lawful purpose or purposes and domestic and foreign corporations may be issued a Certificate of Authority to do business in Indian country. Unless otherwise provided in its articles, a corporation has general business purposes.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.050 Corporate name.

The corporate name:

- A. Shall contain the word "corporation," "company," "incorporated" or "limited," or shall contain an abbreviation of one of such words;
- B. Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation;
- C. Shall not be the same as, or deceptively similar to, the name of any corporation existing under the laws of the Tribe or the state of Washington, or a name the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation which has in effect a registration of its corporate name as provided in this chapter or the laws of the state of Washington.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.060 Registered office and registered agent.

Each corporation organized pursuant to this chapter shall have and continuously maintain in Indian country a registered agent and a registered office which may be, but need not be, the same as its place of business. A corporation wholly owned by the Tribe may have as its registered agent and registered office the Squaxin Island Legal Department, wherever that department's office may be located, whether in or outside of Indian country.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.070 Service of process on corporation.

Any officer of a corporation or the registered agent so appointed by a corporation shall be an agent of such corporation upon whom any process notice or demand required or permitted by law to be served upon the corporation may be served.

(Res. 99-80 (part))

6.28.080 Form of application.

Application may be made on forms prescribed and furnished by the Business Administration Board and shall be executed, acknowledged and verified by the applicant's president or vice president, and by its secretary or an assistant secretary, and delivered to the Business Administration Board with authenticated copies of its articles of incorporation.

(Res. 07-16 (part); Res. 99-80 (part))

6.28.090 Corporate powers.

A. General Powers. Subject to any limitations provided in any other laws of the Tribe, or in a corporation's articles of incorporation or bylaws, each corporation shall have power:

1. To have perpetual succession unless a limited period of duration is stated in its articles of incorporation;
2. To sue and be sued, complain and defend, in its corporate name, except that the extent of the corporation's liability shall be limited to the assets of the corporation and shall be subject to the limitations contained in Section 6.28.100(B) of this chapter and in Chapter 6.24 of the Squaxin Island Tribal Code;
3. To have a corporate seal which may be altered at pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced. A corporation is not obligated to adopt a corporate seal. The use or nonuse of a corporate seal shall not affect the validity, recordability or enforceability of a document or act. If a corporation has a corporate seal, the use of the seal by the corporation on a document is not necessary;
4. To purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated;
5. To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets including, but not limited to, shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships or individuals;
6. To lend money and use its credit to assist its employees;
7. To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships or individuals, or direct or indirect obligations of the United States or of any other government, state, territory, governmental district or municipality or of any instrumentality thereof;
8. To make contracts and guarantees and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds and other obligations by mortgage or pledge of all or any of its property, franchises and income;
9. To lend money for its corporate purposes, invest and reinvest its funds and take and hold real and personal property as security for the payment of funds so loaned or invested;

Title 6 TRIBAL ENTERPRISES

10. To conduct its business, carry on its operations and have offices and exercise the powers granted by this chapter, within or without Indian country;
 11. To elect or appoint officers and agents of the corporation, and define their duties and fix their compensation;
 12. To make and alter bylaws, not inconsistent with its articles of incorporation or with the laws of the Tribe for the administration and regulation of the affairs of the corporation;
 13. To make donations for the public welfare or for charitable, scientific or educational purposes;
 14. To transact any lawful business which the board of directors shall find will be in aid of governmental policy;
 15. To pay pensions and establish pension plans, pension trusts, profit sharing plans, stock bonus plans, stock option plans and other incentive plans for any or all of its directors, officers and employees;
 16. To be a promoter, partner, member, associate or manager of any partnership, joint venture, trust or other enterprise;
 17. To establish committees of the board of directors, elect or appoint persons to the committees and define their duties and fix their compensation;
 18. To have and exercise all powers necessary or convenient to effect its purposes.
- B. Special Committees. An affirmative vote of a majority of the board of directors may establish committees having the authority of the board of directors in the management of the business of the corporation only to the extent provided in the resolution. Committees may include a special litigation committee consisting of one or more independent directors or other independent persons to consider legal rights or remedies of the corporation and whether those rights or remedies should be pursued. Committees other than special litigation committees are subject at all times to the direction and control of the board of directors. The committees shall consist of one or more persons, who need not be directors.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.100 Special powers and privileges of corporations wholly owned by the Squaxin Island Tribe.

The Squaxin Island Tribe may, from time to time, organize corporations to carry out governmental functions on its behalf, including but not limited to generating revenues to meet governmental needs and purposes. The special powers described in this section shall only be available to a corporation wholly owned by the Tribe, or a corporation wholly owned by the Squaxin Island Tribe and other federally recognized tribal governments. Such wholly owned corporations:

- A. Shall have any and all of the Tribe's rights, privileges and immunities (including, without limitation, sovereign immunity) concerning federal and state taxes and jurisdiction to the same extent that the Tribe would have such rights, privileges and immunities if it engaged in the activities undertaken by the corporation. Absent consent, such a corporation shall not be subject to taxation by the Tribe, except to the extent that such taxation is necessary and reasonably appropriate to compensate the Tribe for services provided to the corporation by the Tribe;
- B. Shall have the power to sue and is authorized to consent to be sued in the Tribal Court, and other courts of competent jurisdiction; provided, however, that any recovery against such corporation for any such consent shall be limited to the assets of the corporation, and that, to be effective, such corporation must explicitly consent to be sued in a contract or other commercial document which specifies the terms and conditions of such consent; provided however, that consent to suit by a corporation shall in no way extend to the Tribe, nor shall a consent to suit by a corporation in any way be deemed a waiver of any of the rights, privileges or immunities of the Tribe.

Title 6 TRIBAL ENTERPRISES

(Res. 07-16 (part); Res. 99-80 (part))

(Res. No. 10-25, 3-26-10)

6.28.110 Shares.

- A. Authorized Shares. Each corporation shall have the power to create and issue the number of shares stated in its articles of incorporation. Such shares shall be divided into one or more classes, any or all of which classes may consist of shares with par value or shares without par value, with such designation, preferences, limitations and relative rights as shall be stated in the articles of incorporation. The articles of incorporation may limit or deny the voting rights of or provide special voting rights for the shares of any class to the extent not inconsistent with the provisions of this ordinance.
- B. Preferred or Special Shares. Without limiting the authority herein contained, a corporation, when so provided in its articles of incorporation, may issue shares of preferred or special classes, or may provide or authorize the board of directors to issue shares of preferred or special classes:
 - 1. Subject to the right of the corporation to redeem any of such shares at the price fixed by the articles of incorporation, or by the board of directors, for the redemption thereof;
 - 2. Entitling the holders thereof to cumulative, noncumulative or partially cumulative dividends;
 - 3. Having preference over any other class or classes of shares as to the payment of dividends;
 - 4. Having preference in the assets of the corporation over any other class or classes of shares upon the voluntary or involuntary liquidation of the corporation;
 - 5. Convertible into shares of any other class or into shares of any series of the same or any other class.
- C. Shares in Tribally-Owned Corporations. Corporations wholly owned and operated by the Tribe shall issue shares, but all such shares shall be held by and for the Tribe by the Tribal Council. The voting rights of the members of the Tribal Council in such a corporation shall not be diminished or enhanced by the issuance of shares. The special provisions of Section 6.28.110B regarding preferred or special shares shall not be available to corporations wholly owned by the Tribe.
- D. Payment for Shares. The consideration for the issuance of shares may be paid, in whole or in part, in cash, in other property, tangible or intangible, received or to be received by the corporation or in labor or services actually performed or to be performed for the corporation.
- E. Future Consideration for Shares. Promissory notes, future services or other consideration which has only an intangible future value may be accepted as payment or part payment for the issuance of shares of a corporation.
- F. Certificates Representing Shares. The shares of a corporation shall be represented by certificates signed by an agent or officer authorized in the articles or bylaws to sign share certificates or, in the absence of such authorization, by an officer of the corporation.

(Res. 99-80 (part))

6.28.120 Liability.

- A. Limited Liability of Shareholders. A holder of shares of a corporation shall be under no obligation to the corporation or its creditors with respect to such shares other than the obligation to pay to the corporation the full consideration for which such shares were issued or to be issued.
- B. Limited Liability of the Tribe. The Tribe shall be under no obligation to a corporation or the creditors of any corporation which the Tribe incorporates, owns or operates, in whole or in part, and the Tribe shall not be deemed to have waived any of the Tribe's privileges or immunities, including without

limitation its sovereign immunity, if the Tribe incorporates, owns or operates a corporation, in whole or in part.

(Res. 99-80 (part))

6.28.130 Bylaws and articles of incorporation.

- A. Bylaws. A corporation may, but need not, have bylaws. The initial bylaws of a corporation may be adopted by its board of directors. Unless reserved to the shareholders by the articles, the power to alter, amend or repeal the bylaws or adopt new bylaws, subject to repeal or change by action of the shareholders, shall be vested in the board of directors.
- B. Contents of Articles of Incorporation. The articles of incorporation shall set forth all of the following:
 - 1. The name of the corporation;
 - 2. The address of the registered office of the corporation and the name of its registered agent, if any, at that address;
 - 3. The aggregate number of shares that the corporation has authority to issue; if such shares are to consist of one class only, the par value of each of such shares; or, if such shares are to be divided into classes, the number of shares of each class, and a statement of the par value of the shares of each such class;
 - 4. The name and address of each incorporator;
 - 5. The period of duration, which may be perpetual;
 - 6. The purpose or purposes for which the corporation is organized, which may be stated to be, or to include, the transaction of any or all lawful business for which corporations may be incorporated under this ordinance;
 - 7. If the shares are to be divided into classes, the designation of each class and a statement of the preferences, limitations and relative rights in respect of the shares of each class;
 - 8. If the corporation is to issue the shares of any preferred or special class in series, then the description of each series and a statement of the variations in the relative rights and preferences as between series insofar as the same are to be fixed in the articles of incorporation, and a statement of any authority to be vested in the board of directors to establish series and fix and determine the variations in the relative rights and preferences as between series;
 - 9. Any provision limiting or denying to shareholders preemptive rights;
 - 10. Any provision, not inconsistent with law, which the incorporators elect to set forth in the articles of incorporation for the regulation of the internal affairs of the corporation, including any provision restricting the transfer of shares and any provision which under this ordinance is permitted to be set forth in the bylaws;
 - 11. Any other provisions not inconsistent with law relating to the management of the business or the regulation of the affairs of the corporation;
 - 12. Any of the corporate powers desired but not enumerated in this ordinance.
- C. Provisions subject to modification in the articles of incorporation. The following provisions govern a corporation unless modified in the articles:
 - 1. The power to adopt, amend or repeal the bylaws is vested in the board of directors;
 - 2. The corporation does not permit cumulative voting for directors;
 - 3. The affirmative vote of a majority of directors present is required for an action of the board of directors;

Title 6 TRIBAL ENTERPRISES

4. A written action by the board of directors taken without a meeting must be signed by all participating directors;
 5. The board of directors may authorize the issuance of securities and rights to purchase securities;
 6. All shares have equal rights and preferences in all matters not otherwise provided for by the board of directors;
 7. The par value of shares is fixed at one cent per share for certain purposes and may be fixed by the board of directors for certain other purposes;
 8. The board of directors or the shareholders may issue shares for any consideration or for no consideration to effectuate share dividends or splits, and may determine the value of nonmonetary consideration;
 9. Shares of a class or series must not be issued to holders of shares of another class or series to effectuate share dividends or splits, unless authorized by a majority of the voting power of the shares of the same class or series as the shares to be issued;
 10. A corporation may issue rights to purchase securities whose terms, provisions and conditions are fixed by the board of directors;
 11. The affirmative vote of the holders of a majority of the voting power of the shares present and entitled to vote at a duly held meeting is required for an action of the shareholders, except where this ordinance requires the affirmative vote of a majority of the voting power of all shares entitled to vote;
 12. Shares of a corporation acquired by the corporation may be reissued;
 13. Each share has one vote unless otherwise provided in the terms of the share;
 14. A corporation may issue shares for a consideration less than the par value, if any, of the shares;
 15. Except as otherwise limited by this ordinance or by Chapter 6.24 of the Squaxin Island Tribal Code, a corporation shall have the power to sue and be sued in the Tribal Court, and in other courts of competent jurisdiction; provided, however, that any recovery against a corporation shall be limited to the assets of the corporation.
- D. Provisions Subject to Modification in Articles of Incorporation or Bylaws. The following provisions govern a corporation unless modified in either the articles or in the bylaws:
1. Directors serve for an indefinite term that expires at the next regular meeting of the shareholders.
 2. The compensation of the board of directors is fixed by the board of directors.
 3. If the board of directors fails to select a place for a board of directors meeting, it must be held at the principal executive office.
 4. A director may call a board of directors meeting, and the notice of the meeting need not state the purpose of the meeting.
 5. A majority of the board of directors is a quorum for a meeting.
 6. A committee shall consist of one or more persons, who need not be directors, appointed by a majority vote of the directors present.
 7. The board of directors may establish a special litigation committee.
 8. Officers may delegate some or all of their duties and powers, if not prohibited from doing so.
 9. Regular meetings of shareholders need not be held, unless demanded by a shareholder.
 10. In all instances where a specific minimum notice period has not been otherwise fixed by law, not less than five days' notice is required for a meeting of shareholders.

Title 6 TRIBAL ENTERPRISES

11. The number of shares required for a quorum at a shareholders' meeting is a majority of the voting power of the shares entitled to vote at the meeting.
 12. The board of directors may fix a date up to sixty (60) days before the date of a shareholders' meeting as the date for the determination of the holders of shares entitled to notice of and entitled to vote at the meeting.
 13. Indemnification of directors is required (except for such directors' gross negligence or willful misconduct).
 14. The board of directors may authorize, and the corporation may make, distributions not prohibited, limited or restricted by an agreement.
- E. Permitted Provisions if Included in the Articles of Incorporation. The following provisions relating to the management of the business or the regulation of the affairs of a corporation may be included in the articles:
1. The members of the first board of directors may be named.
 2. A larger than majority vote may be required for action of the board of directors.
 3. A director's personal liability to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director may be limited to negligence, fraud or misconduct.
 4. The manner of giving or prescribing the manner of giving voting rights to persons other than shareholders.
- F. Permitted Provisions if Included in Bylaws. The following provisions relating to the management of the business or the regulation of the affairs of a corporation may be included in the bylaws:
1. A manner for increasing or decreasing the number of directors;
 2. Additional qualifications for directors;
 3. Directors may be classified;
 4. Absent directors may be permitted to give written consent or opposition to a proposal;
 5. Authority to sign and deliver certain documents may be delegated to an officer or agent of the corporation, other than the chief executive officer;
 6. Additional officers may be designated;
 7. Additional powers, rights, duties and responsibilities may be given to officers;
 8. A method for filling vacant offices may be specified;
 9. A certain officer or agent may be authorized to sign share certificates;
 10. A transfer or registration of transfer of securities may be restricted.

(Res. 99-80 (part))

6.28.140 Incorporation.

- A. Who May Incorporate. Any member or nonmember of the Tribe over the age of eighteen (18) may act as the incorporator of a corporation by delivering articles of incorporation to the Business Administration Board for filing.
- B. Notices—Publication—Contents.
1. Notice of amendment, merger, consolidation or voluntary dissolution of all corporations subject to this ordinance shall be published once each week for three consecutive weeks in some legal newspaper of general circulation near the registered office of a corporation. Such notice of incorporation shall show:

Title 6 TRIBAL ENTERPRISES

- a. The name of the corporation;
 - b. The address of the registered office;
 - c. The purpose or purposes for which the corporation is organized;
 - d. The time of the commencement and termination of the corporation and, if the corporation is to have a perpetual existence, such fact must be stated;
 - e. By what officers the affairs of the corporation are to be conducted.
2. A brief synopsis of any amendment, merger or consolidation of the said corporation shall be published in the same manner and for the same period of time as notice is required to be published.
 3. Whenever any corporation subject to this ordinance is voluntarily dissolved, notice of the dissolution thereof and the terms and conditions of such dissolution and the names and addresses of the persons who are to manage the corporate affairs and distribute its assets and their official title, with a statement of assets and liabilities of the corporation, shall be published once each week for three consecutive weeks in some legal newspaper of general circulation within the county in which the registered office of the corporation is located.
 4. Proof of publication of any of the foregoing required notices shall be filed in the office of the Business Administration Board and in the office of the Secretary of State of the state where the registered office of the corporation is located.
 5. In the event any notice required to be given pursuant to this section is not given, but is subsequently published for the required time, and proof of the publication thereof is filed in the office of the Business Administration Board and in the office of the Secretary of State of the state where the registered office of the corporation is located, the acts of such corporation prior to, as well as after, such publication shall be valid.

(Res. 07-16 (part); Res. 99-80 (part))

6.28.150 Incorporation—Amendment.

- A. Filing of Incorporation. Duplicate originals of the articles of incorporation shall be delivered to the Business Administration Board. If the Business Administration Board finds that the articles of incorporation conform to tribal law, it shall:
 1. Endorse on each such duplicate original the word "filed" and the month, day and year of the filing thereof;
 2. Maintain one such duplicate original in the office of the Business Administration Board;
 3. Issue a certificate of incorporation to which the Business Administration Board shall affix the other duplicate original and return to the incorporators.
- B. Effect of Issuance of Certificate of Incorporation. Upon the issuance of the certificate of incorporation, the corporate existence shall begin.
- C. Right to Amend or Restate Articles of Incorporation. A corporation may amend or restate its articles of incorporation.
- D. Articles of Amendment or Restatement. The articles of amendment or restatement shall be executed by: (1) the corporation's president or; (2) by a vice president and the secretary or an assistant secretary.
- E. Filing Articles of Amendment or Restatement. Duplicate originals of the articles of amendment or restatement shall be delivered to the Business Administration Board. If the Business Administration Board determines that the articles of amendment or restatement conform to tribal law, the Business Administration Board shall:

Title 6 TRIBAL ENTERPRISES

1. Endorse on each duplicate original the word "filed" and the month, day and year of such filing thereof.
 2. Maintain one such duplicate original in the Business Administration Board's office.
 3. Issue a certificate of amendment to which the Business Administration Board shall affix the other duplicate original and return to the corporation.
- F. Effect of Certificate of Amendment. Upon the issuance of the certificate of amendment by the Business Administration Board, the amendment shall become effective and the articles of incorporation shall be deemed to be amended accordingly.
- (Res. 07-16 (part); Res. 99-80 (part))

6.28.160 Board of directors.

- A. Qualifications. The business and affairs of the corporation shall be managed by a board of directors or its functional equivalent, subject to any limitations set forth in the articles of incorporation. The articles of incorporation or bylaws may prescribe qualifications for directors. A director of a corporation wholly owned by the Tribe need not be a member of the Tribe unless the articles of incorporation or bylaws so prescribe.
- B. Number and Election of Directors.
1. A board of directors must consist of one or more individuals, with the number established in the articles of incorporation or bylaws. Initial directors may be named in the articles of incorporation or elected by the shareholders or, prior to the issuance of shares, elected by the incorporators; thereafter, directors shall be elected at the annual shareholders' meeting, subject to the provisions in Chapter 6.28.160C. If a corporation is to be wholly or partially owned by the Tribe, the articles or bylaws may provide that the Tribal Council shall vote the Tribe's shares.
 2. If the articles of incorporation authorize dividing the shares into classes, the articles may also authorize the election of all or a number of directors by the holders of one or more authorized classes of shares.
- C. Terms of Directors. At the first meeting of the shareholders and at each annual meeting thereafter, the shareholders shall elect directors to hold office until the next succeeding annual meeting unless otherwise permitted in this Chapter 6.28, the articles of incorporation or the bylaws. Each director shall hold office for the term for which elected until a successor shall have been elected and qualified.
- D. Resignation of Directors. A director may resign at any time by delivering written notice to the board of directors or its chairperson.
- E. Removal of Directors.
1. The shareholders may remove one or more directors with or without cause unless the articles of incorporation provide that directors may be removed only with cause. If a director is elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove that director.
 2. A director may be removed by the shareholders only at a meeting called for the purpose of removing the director, and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director.
- F. Vacancies on the Board of Directors. Unless the articles of incorporation or bylaws provide otherwise, a vacancy on the board of directors may be filled by the board of directors.
- G. Compensation of Directors. Unless the articles of incorporation or bylaws provide otherwise, the board of directors may fix the compensation of directors.

Title 6 TRIBAL ENTERPRISES

- H. Director Conflict of Interest. A conflict of interest transaction is a transaction with the corporation in which a director of the corporation has an interest. A conflict of interest transaction is not voidable by the corporation solely because of the director's interest in the transaction if any one of the following is true:
1. The material fact of the transaction and the director's interest were disclosed or known to the board of directors or a committee of the board of directors and the board of directors or committee authorized, approved or ratified the transaction by a majority of the board of directors or committee; but the interested director or directors shall not be counted in determining the presence of, or required number to constitute, a quorum and shall not vote;
 2. The material facts of the transaction and the director's interest were disclosed or known to the shareholders entitled to vote and they authorized, approved or ratified the transaction by a majority of the shares entitled to vote that are owned by persons other than the interested director or directors;
 3. The transaction was fair to the corporation at the time it was approved.
- I. Loans to Directors. A corporation may not lend money to or guarantee the obligation of a director of the corporation unless the shareholders approve the loan or guarantee or the board of directors determines the loan or guarantee benefits the corporation and approves the loan or guarantee. A corporation wholly owned by the Tribe may not lend money to or guarantee the personal obligation of a director, officer or employee of the corporation under any circumstances.

(Res. 99-80 (part))

6.28.170 Meetings of the board of directors.

- A. Regular and Special Meetings. The board of directors may hold regular or special meetings within or without Indian country.
- B. Telecommunications Meetings Permitted. Unless the articles of incorporation or bylaws provide otherwise, the board of directors may permit any or all directors to conduct or participate in a meeting through the use of any means of communication by which all directors may simultaneously hear each other during the meeting. A director so participating is deemed present.
- C. Consent to Action Without Meeting Permitted. Unless the articles of incorporation or bylaws provide otherwise, action by the board of directors may be taken without a meeting if a majority of the members take the action. Such action must be evidenced in writing, signed by the requisite number of directors and included in the minutes or filed with the corporate records.
- D. Notice of Meeting. Unless the articles of incorporation or bylaws provide otherwise, regular meetings of the board of directors may be held without notice of the date, time, place or purpose of the meeting. Unless the articles of incorporation or bylaws provide for a different period, special meetings of the board of directors must be preceded by at least forty-eight (48) hours' notice of the date, time and place of the meeting. Either before or after a meeting, a director may waive, orally or in writing, any required notice, and a director's attendance at or participation in a meeting waives any required notice unless the director objects at the meeting's beginning and does not vote thereafter on actions at the meeting.
- E. Quorum and Voting. Unless the articles of incorporation or bylaws provide otherwise, a quorum consists of a majority of the number of directors, provided that in no event shall a quorum consist of fewer than one-third the number of directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board of directors unless the articles of incorporation or bylaws require the vote of a greater number.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.180 Corporate officers.

- A. Required Officers. A corporation has the officers described in its articles or bylaws or appointed by the board of directors in accordance with the articles or bylaws. The articles or bylaws of the board of directors shall delegate to one of the officers responsibility for preparing minutes of the directors' and shareholders' meetings and for authenticating records of a corporation. The same individual may simultaneously hold more than one office in a corporation. Each officer has the authority and shall perform the duties set forth in the bylaws or, to the extent consistent with the bylaws, the duties prescribed by the board of directors.
- B. Resignation and Removal of Officers. An officer may resign at any time by delivering notice to the corporation. A board of directors may remove any officer at any time with or without cause.
- C. Contract Rights of Officers. The appointment of an officer does not itself create contract rights, nor does the resignation or removal of an officer affect the contract rights, if any, of the officer or corporation. The removal is without prejudice to any contract rights of the officer.

(Res. 99-80 (part))

6.28.190 General standards for directors and officers.

- A. Discharge of Duties. Directors and officers shall discharge their duties:
 - 1. In good faith;
 - 2. With the care an ordinary and prudent person in a like position would exercise under similar circumstances;
 - 3. In a manner reasonably believed to be in the best interests of the corporation.
- B. Reliance. In discharging his or her individual duties, a director or officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:
 - 1. One or more officers or employees of the corporation whom the officer or director reasonably believes to be reliable and competent in the matters presented;
 - 2. Legal counsel, public accountants or other persons as to matters the officer or director reasonably believes are within that person's professional or expert competence;
 - 3. A committee of the board of directors upon which the officer or director does not serve, if such officer or director reasonably believes the committee merits confidence.
- C. Directors and officers are not liable for any action taken in their corporate capacity, or any failure to take any action, if they performed the duties of office in compliance with this section.

(Res. 99-80 (part))

6.28.200 Shareholders—Meetings—Voting.

- A. Meetings of Shareholders. A corporation may hold a meeting of shareholders on an annual or other less frequent periodic basis, but such meetings need not be held unless required by the articles of incorporation or bylaws or by subsection C of this section. Annual meetings need not be held within Indian country, but annual meetings of corporations wholly owned by the Tribe shall, if held, be held within one hundred (100) miles of the reservation.
- B. Effect of Failure to Hold Meetings. The failure to hold an annual meeting does not affect the validity of any corporate action.
- C. Demand of Shareholders for Meetings. If a regular meeting of shareholders has not been held during the immediately preceding four hundred (400) days, a shareholder or shareholders holding three

Title 6 TRIBAL ENTERPRISES

percent or more of the voting power of all shares entitled to vote may demand a regular meeting of shareholders by written notice of demand given to an officer of the corporation. Within thirty (30) days after receipt of the demand by an officer, the board of directors shall cause a regular meeting of the shareholders to be called and held on notice no later than ninety (90) days after receipt of the demand, all at the expense of the corporation. If the board of directors fails to cause a regular meeting to be called and held as required by this subsection, the shareholder or shareholders making the demand may call the regular meeting by giving notice as required by subsection F of this section, all at the expense of the corporation.

- D. Special Meetings for Corporation Wholly Owned by the Tribe. In the case of corporations wholly owned by the Tribe, a special meeting may be called and held in the same manner as applicable law provides for meetings of the Tribal Council.
- E. Necessary Action. Unless the articles of incorporation or bylaws provide otherwise, action required to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by the holders of a majority of shares or the holders of a majority of each class of shares entitled to vote. Such action must be evidenced in writing, signed by the requisite number of shareholders and delivered to the corporation for inclusion in the minutes and records.
- F. Notice of Shareholders' Meetings. A corporation shall notify shareholders of the date, time and place of each annual or special shareholders' meeting at least ten (10) days before the meeting. A shareholder may waive notice and a shareholder may be deemed to have waived notice if the shareholder attends the meeting, unless the shareholder objects at the beginning of the meeting and does not vote during the meeting.
- G. Voting Entitlement of Shares—Proxy Voting. Unless the articles of incorporation or bylaws provide otherwise, and subject to the provisions of Section 6.28.110(C) of this chapter, each outstanding share is entitled to one vote on each matter voted on at a shareholders' meeting. A shareholder may vote a share in person or by proxy, provided that the shareholder has appointed a proxy by signing an appointment and filed the appointment with the corporation prior to the meeting.
- H. Voting Trusts and Agreements. One or more shareholders may create a voting trust, conferring on a trustee the right to vote or otherwise act for them, by signing an agreement setting out the trust's provisions and transferring the shares to the trustee. When a voting trust agreement is signed, the trustee shall deliver to the corporation the names and addresses of all owners of beneficial interests in the trust, together with the number and class of shares transferred to the trust. Two or more shareholders may also provide for the manner in which they will vote their shares by signing an agreement for that purpose. This subsection shall not apply to shares in corporations wholly owned by the Tribe.
- I. Voting Trusts Void for Corporations Wholly Owned by the Tribe. Any voting trust or agreement for shares held in a corporation wholly owned by the Tribe shall be void and unenforceable.
- J. Quorum. The holders of a majority of the voting power of the shares entitled to vote at a meeting are a quorum for the transaction of business, unless a larger or smaller proportion or number is provided in the articles or bylaws. The shareholders shall take action by the affirmative vote of the holders of a majority of the voting power of the shares present and entitled to vote, except where this chapter or the articles or bylaws require a larger proportion or number. If the articles or bylaws require a larger proportion or number than is required by this chapter for a particular action, the articles or bylaws control.
- K. Shareholders—Right to Dissent—Payment—When.
 - 1. Any shareholders of a corporation shall have the right to dissent from, and obtain payment for their shares in the event of any of the following corporate actions:
 - a. Any plan of merger or consolidation to which the corporation is a party, except as provided in subsection (K)(3) of this section;
 - b. Any sale or exchange of all or substantially all of the property and assets of the corporation, otherwise than in the usual and regular course of its business and other than a

Title 6 TRIBAL ENTERPRISES

sale for cash when the shareholders' approval thereof is conditional upon the distribution of all or substantially all of the net proceeds of the sale to the shareholders in accordance with their respective interests within one year after the date of the sale;

- c. Any plan of exchange to which the corporation is a party as the corporation the shares of which are to be acquired;
- d. Any amendment of the articles of incorporation which materially and adversely affects the rights appurtenant to the shares of the dissenting shareholder if such amendment:
 - i. Alters or abolishes a preferential right of such shares,
 - ii. Creates, alters or abolishes a right in respect of the redemption of such shares, including a provision respecting a sinking fund for the redemption or repurchase of such shares,
 - iii. Alters or abolishes a preemptive right of the holder of such shares to acquire shares or other securities,
 - iv. Excludes or limits the right of the holder of such shares to vote on any matter or to cumulate his or her votes, except as such right may be limited by dilution through the issuance of shares or other securities with similar voting rights;
- e. Any other corporate action taken pursuant to a shareholder vote with respect to which the articles of incorporation, the bylaws or a resolution of the board of directors directs that dissenting shareholders shall have a right to obtain payment for their shares.

2. Dissenter's Rights.

- a. A record holder of shares may assert dissenter's rights as to less than all of the shares registered in his or her name. In that event, his or her right shall be determined as if the shares as to which he or she has dissented and his or her other shares were registered in the names of different shareholders.
- b. A beneficial owner of shares who is not the record holder may assert dissenter's rights with respect to shares held on his or her behalf and shall be treated as a dissenting shareholder under the terms of subsections K and L of this section if he or she submits to the corporation at the time of or before the assertion of these rights a written consent of the record holder.

3. The right to obtain payment under this section shall not apply to the shareholders of the surviving corporation in a merger if a vote of the shareholders of such corporation is not necessary to authorize such merger or to the shareholders of a bank, trust company, stock-owned savings and loan association, industrial loan and investment company or the holding company of any of such financial institutions.

4. A shareholder of a corporation who has a right under this section to obtain payment for his or her shares shall have no right at law or in equity to attack the validity of the corporate action that gives rise to his or her right to obtain payment, nor to have the action set aside or rescinded, except for mergers authorized under Section 6.28.260(F), or when the corporate action is unlawful or fraudulent with regard to the complaining shareholder or to the corporation.

L. Shareholders—Right to Dissent—Payment—Procedure.

- 1. As used in this section, unless the context requires otherwise:
 - a. "Dissenter" means a shareholder or beneficial owner who is entitled to and does assert dissenter's rights under subsection K of this section and who has performed every act required up to the time involved for the assertion of such rights.
 - b. "Corporation" means the issuer of the shares held by the dissenter before the corporate action or the successor by merger or consolidation of that issuer.

Title 6 TRIBAL ENTERPRISES

- c. "Fair value of shares" means their value immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of such corporate action unless such exclusion would be inequitable.
 - d. "Interest" means interest from the effective date of the corporate action until the date of payment, at the average rate currently paid by the corporation on its principal bank loans or, if none, at such rate as is fair and equitable under all the circumstances.
 2. If a proposed corporate action which would give rise to dissenter's rights under subsection (K)(1) of this section is submitted to a vote at a meeting of shareholders, the notice of such meeting shall notify all shareholders that they have or may have a right to dissent and obtain payment for their shares by complying with the terms of this section and shall be accompanied by a copy of subsections K and L of this section.
 3. If the proposed corporate action is submitted to a vote of a meeting of shareholders, any shareholder who wishes to dissent and obtain payment for his or her shares must file with the corporation, prior to the vote, a written notice of intent to demand that he or she be paid fair compensation for his or her shares if the proposed action is effectuated and shall refrain from voting his or her shares in approval of such action. A shareholder who fails in either respect shall acquire no right to payment for his or her shares under subsections K and L of this section.
 4. If the proposed corporate action is approved by the required vote at a meeting of shareholders, the corporation shall mail a further notice to all shareholders who gave due notice of intention to demand payment and who refrained from voting in favor of the proposed action. If the proposed corporate action is to be taken without a vote of shareholders, the corporation shall send to all shareholders who are entitled to dissent and demand payment for their shares a notice of the adoption of the plan of corporate action. The notice shall: (a) state where and when a demand for payment must be sent and certificates of certified shares must be deposited in order to obtain payment; (b) inform holders of uncertified shares to what extent transfer of shares will be restricted from the time that demand for payment is received; (c) supply a form for demanding payment which includes a request for certification of the date on which the shareholder, or the person on whose behalf the shareholder dissents, acquired beneficial ownership of the shares; and (d) be accompanied by a copy of subsections K and L of this section. The time set for the demand and deposit shall be not less than thirty (30) days from the mailing of the notice.
 5. A shareholder who fails to demand payment or fails, in the case of certified shares, to deposit certificates, as required by a notice pursuant to subsection (L)(4) of this section, shall have no right under subsection L or K of this section to receive payment for his or her shares. If the shares are not represented by certificates, the corporation may restrict their transfer from the time of receipt of demand for payment until effectuation of the proposed corporate action. The dissenter shall retain all other rights of a shareholder until these rights are modified by effectuation of the proposed corporate action.

If the proposed corporate action shall be abandoned or rescinded or the shareholder shall revoke the authority to effect such action, then the right of such shareholder to be paid the fair value of his or her shares shall cease.

6. Immediately upon effectuation of the proposed corporate action or upon receipt of demand for payment if the corporate action has already been effectuated, the corporation shall remit to dissenters who have properly made demand and, if their shares are certificated, have deposited their certificates, the amount which the corporation estimates to be the fair value of the shares, with interest if any has accrued. The remittance shall be accompanied by:
 - a. The corporation's closing balance sheet and statement of income for a fiscal year ending not more than sixteen (16) months before the date of the remittance, together with the latest available interim financial statements;
 - b. A statement of the corporation's estimate of the fair value of the shares;
 - c. A notice of the dissenter's right to demand supplemental payment, accompanied by a copy of subsections K and L of this section.

Title 6 TRIBAL ENTERPRISES

7. Fair Value.
 - a. If the corporation fails to remit as required by subsection (L)(6) of this section, or if the dissenter believes that the amount remitted is less than the fair value of his or her shares or that the interest is not correctly determined, he or she may send the corporation his or her own estimate of the value of the shares or of the interest and demand payment of the deficiency.
 - b. If the dissenter does not file such an estimate within thirty (30) days after the corporation's mailing of its remittance, he or she shall be entitled to no more than the amount remitted.
8. Unsettled Demands.
 - a. Within sixty (60) days after receiving a demand for payment pursuant to subsection (L)(7) of this section, if any such demands for payment remain unsettled, the corporation shall file in the Tribal Court a petition requesting that the fair value of the shares and interest thereon be determined by the Court.
 - b. All dissenters, wherever residing, whose demands have not been settled shall be made parties to the proceeding as in an action against their shares. A copy of the petition shall be served on each such dissenter. If a dissenter is a nonresident, the copy may be served on him or her by registered or certified mail or by publication as provided by law.
 - c. The jurisdiction of the Tribal Court shall be plenary and exclusive. The Court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have such power and authority as shall be specified in the order of their appointment or in any amendment of such order. The dissenters shall be entitled to discovery in the same manner as parties in other civil suits.
 - d. All dissenters who are made parties shall be entitled to judgment for the amount by which the fair value of their shares is found to exceed the amount previously remitted, with interest.
 - e. If the corporation fails to file a petition as provided in subsection (L)(8)(a) of this section, each dissenter who made a demand and who has not already settled his or her claim against the corporation shall be paid by the corporation the amount demanded by him or her, with interest, and may sue therefor in the Tribal Court.
9. Right of Corporation to Withhold Remittance.
 - a. Notwithstanding the foregoing provisions of subsection L of this section, the corporation may elect to withhold the remittance required by subsection (L)(6) of this section from any dissenter with respect to the shares of which the dissenter, or the person on whose behalf the dissenter act, was not the beneficial owner on the date of the first announcement to news media or to shareholders of the terms of the proposed corporate action. With respect to such shares, the corporation shall, upon effectuating the corporate action, state to each dissenter its estimate of the fair value of the shares, state the rate of interest to be used explaining the basis of such rate of interest, and offer to pay the resulting amounts on receiving the dissenter's agreement to accept them in full satisfaction.
 - b. If the dissenter believes that the amount offered is less than the fair value of the shares and interest determined according to this section, he or she may, within thirty (30) days after the date of mailing of the corporation's offer, mail to the corporation his or her own estimate of fair value and interest and demand their payment. If the dissenter fails to do so, he or she shall be entitled to no more than the corporation's offer.
 - c. If the dissenter makes a demand as provided in subsection (L)(9)(b) of this section, the provisions of subsection (L)(8) of this section shall apply to further proceedings on the dissenter's demand.
10. Upon payment of the judgment, the dissenting shareholder shall cease to have any interest in such shares. Unless the dissenting shareholder shall file such petition within the time herein

Title 6 TRIBAL ENTERPRISES

limited, such shareholder and all persons claiming under him or her shall be conclusively presumed to have approved and ratified the corporate action and shall be bound by the terms thereof.

11. Shares reacquired by a corporation pursuant to a payment of the agreed value therefor, or payment of the judgment entered therefor, as in this section provided, may be held and disposed of by such corporation as in the case of other treasury shares except that, in the case of an effected merger or consolidation, they may be held and disposed of as the plan of merger or consolidation may otherwise provide.

(Res. 04-05 (part); Res. 99-80 (part))

6.28.210 Dissolution.

- A. Voluntary Dissolution by Incorporators. A corporation which has not commenced business and which has not issued any shares may be voluntarily dissolved by its incorporators at any time in the following manner:
 1. Articles of dissolution shall be executed in duplicate by a majority of the incorporators and verified by them and shall set forth:
 - a. The name of the corporation;
 - b. The date of issuance of its certificate of incorporation;
 - c. That none of its shares has been issued;
 - d. That the corporation has not commenced business;
 - e. That the amount, if any, actually paid on subscriptions for its shares, less any part thereof disbursed for necessary expenses, has been returned to those entitled thereto;
 - f. That no debts of the corporation remain unpaid;
 - g. That a majority of the incorporators elect that the corporation be dissolved.
 2. Duplicate originals of the articles of dissolution shall be delivered to the Business Administration Board. If the Business Administration Board finds that the articles of dissolution conform to law, it shall:
 - a. Endorse on each of the duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - b. File one of the duplicate originals in the Business Administration Board's office;
 - c. Issue a certificate of dissolution to which the Business Administration Board shall affix the other duplicate original.
 3. The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto by the Business Administration Board, shall be returned to the incorporators or their representative. Upon the issuance of such certificate of dissolution by the Business Administration Board, the existence of the corporation shall cease.
- B. Voluntary Dissolution by Consent of Shareholders. A corporation may be voluntarily dissolved by the written consent of all its shareholders. Subject to Chapter 6.32 of the Squaxin Island Tribal Code, a corporation wholly owned and operated by the Tribe shall only be dissolved voluntarily by a resolution adopted by a two-thirds majority of the then voting members of the Tribal Council, upon recommendation and approval of such resolution by the board of directors of the dissolving corporation. Upon the execution of such written consent, a statement of intent to dissolve shall be executed in duplicate by the corporation, by its president or vice president, or in the case of corporations wholly owned by the Tribe by the chair and vice chair of the Tribal Council, and in all cases, by the corporation's secretary or an assistant secretary, and verified by one of the officers signing such statement, which statement shall set forth:

Title 6 TRIBAL ENTERPRISES

1. The name of the corporation;
 2. The names and addresses of its officers;
 3. The names and addresses of its directors;
 4. A statement that written consent has been signed by the shareholders of the corporation or signed in their names by their attorneys thereunto duly authorized;
 5. The written consent, which shall be signed by all shareholders of the corporation or, in the case of a corporation wholly owned by the Tribe, signed by at least two-thirds of the then voting members of the Tribal Council.
- C. Voluntary Dissolution by Act of Corporation. A corporation may be dissolved by the act of the corporation, when authorized in the following manner:
1. The board of directors shall adopt a resolution recommending that the corporation be dissolved, and directing that the question of such dissolution be submitted to a vote at a meeting of shareholders, which may be either an annual or a special meeting.
 2. A corporation wholly owned and operated by the Tribe with no shares having been issued shall be dissolved by a resolution adopted by the board of directors and separately concurred in by a two-thirds majority of the then voting members of the Tribal Council.
 3. Written notice shall be given to each shareholder of record entitled to vote at such meeting within the time and in the manner provided in this chapter for the giving of notice of meetings of shareholders and, whether the meeting be an annual or special meeting, shall state that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation.
 4. At such meeting, a vote of shareholders entitled to vote shall be taken on a resolution to dissolve the corporation. Such resolution shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares of the corporation entitled to vote thereon, unless any class of shares is entitled to vote thereon as a class, in which event the resolution shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares of each class of shares entitled to vote thereon as a class and of the total shares entitled to vote thereon.
 5. Upon the adoption of such resolution, a statement of intent to dissolve shall be executed in duplicate by the corporation by (a) its president or a vice president, and (b) by its secretary or an assistant secretary, and verified by one of the officers signing such statement, which statement shall set forth:
 - a. The name of the corporation;
 - b. A copy of the resolution adopted by the shareholders or the Tribe authorizing the dissolution of the corporation;
 - c. The number of shares outstanding and, if the shares of any class are entitled to vote as a class, the designation and number of outstanding shares of each such class;
 - d. The number of shares voted for and against the resolution, respectively, and, if the shares of any class are entitled to vote as a class, the number of shares of each such class voted for and against the resolution, respectively;
 - e. The names and addresses of its officers;
 - f. The names and addresses of its directors.
- D. Filing of Statement of Intent to Dissolve. Duplicate originals of the statement of intent to dissolve, whether by consent of shareholders or by act of the corporation, shall be delivered to the Business Administration Board. If the Business Administration Board finds that such statement conforms to law, the Business Administration Board shall:

Title 6 TRIBAL ENTERPRISES

1. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 2. File one of such duplicate originals in the Business Administration Board's office;
 3. Return the other duplicate original to the corporation or its representative.
- E. Effect of Statement of Intent to Dissolve. Upon the filing with the Business Administration Board of a statement of intent to dissolve, whether by consent of shareholders or by act of the corporation, the corporation shall cease to carry on its business, except insofar as may be necessary for the winding up thereof, but its corporate existence shall continue until a certificate of dissolution has been issued by the Business Administration Board or until a decree dissolving the corporation has been entered by the Tribal Court.
- F. Procedure after Filing of Statement of Intent to Dissolve. After filing with the Business Administration Board of a statement of intent to dissolve:
1. The corporation shall immediately cause notice thereof to be mailed to each known creditor of the corporation;
 2. The corporation shall proceed to collect its assets, convey and dispose of such of its properties as are not to be distributed in kind to its shareholders, pay, satisfy and discharge its liabilities and obligations, and do all other acts required to liquidate its business and affairs and, after paying or adequately providing for the payment of all its obligations, distribute the remainder of its assets, either in cash or in kind, among its shareholders according to their respective rights and interests;
 3. The corporation may, at any time during the liquidation of its business affairs, make application to the Tribal Court to have the liquidation continued under the supervision of the Tribal Court;
 4. No corporation shall be dissolved under this chapter until any and all fees and taxes due to or assessable by the Tribe shall have been paid.
- G. Articles of Dissolution. When all debts, liabilities and obligations of the corporation have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the corporation have been distributed to its shareholders, articles of dissolution shall be executed in duplicate by the corporation by its president or a vice president, and by its secretary or an assistant secretary, which statement shall set forth:
1. The name of the corporation;
 2. That all debts, obligations and liabilities of the corporation have been paid and discharged or that adequate provision has been made therefor;
 3. That all the remaining property and assets of the corporation have been distributed among its shareholders in accordance with their respective rights and interests;
 4. That there are no suits pending against the corporation in any court, or that adequate provision has been made for the satisfaction of any judgment, order or decree which may be entered against it in any pending suit.
- H. Filing Articles of Dissolution. Duplicate originals of such articles of dissolution shall be delivered to the Business Administration Board. If the Business Administration Board finds that such articles of dissolution conform to tribal law, the Business Administration Board shall:
1. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 2. Maintain one of such duplicate originals in the Business Administration Board's office;
 3. Issue a certificate of dissolution to which the Business Administration Board shall affix the other duplicate original;

Title 6 TRIBAL ENTERPRISES

4. Return the certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, to the representative of the dissolved corporation. Upon the issuance of such certificate of dissolution, the existence of the corporation shall cease, except for the purpose of suits, other proceedings and appropriate corporate action by shareholders, directors and officers.
- I. Voluntary Dissolution—Revocation—Consent of Shareholders.
 1. By the written consent of all its shareholders, a corporation may, at any time prior to the issuance of a certificate of dissolution by the Business Administration Board, revoke voluntary dissolution proceedings theretofore taken.
 2. Upon the execution of such written consent, a statement of revocation of voluntary dissolution proceedings shall be executed by the corporation by its president or a vice president, and by its secretary or an assistant secretary, which statement shall set forth:
 - a. The name of the corporation;
 - b. The names and respective street addresses of its officers;
 - c. The names and respective street addresses of its directors;
 - d. A copy of the written consent signed by all shareholders of the corporation revoking such voluntary dissolution proceedings;
 - e. That such written consent has been signed by all shareholders of the corporation or signed in their names by their attorney thereunto duly authorized.
 - J. Voluntary Dissolution—Revocation—Act of Corporation. By the act of the corporation, a corporation may, at any time prior to the issuance of a certificate of dissolution by the Business Administration Board, revoke voluntary dissolution proceedings theretofore taken, in the following manner:
 1. The board of directors shall adopt a resolution recommending that the voluntary dissolution proceedings be revoked, and directing that the question of such revocation be submitted to a vote at a special meeting of shareholders.
 2. Written or printed notice, stating that the purpose or one of the purposes of such meeting is to consider the advisability of revoking the voluntary dissolution proceedings, shall be given to each shareholder of record entitled to vote at such meeting within the time and in the manner provided in this chapter for the giving of notice of special meeting of shareholders.
 3. At such meeting, a vote of the shareholders entitled to vote thereat shall be taken on a resolution to revoke the voluntary dissolution proceedings, which shall require for its adoption the affirmative vote of the holders of at least two-thirds of the outstanding shares.
 4. Upon the adoption of such resolution, a statement of revocation of voluntary dissolution proceedings shall be executed by the corporation by its president or a vice president, and by its secretary or an assistant secretary, which statement shall set forth:
 - a. The name of the corporation;
 - b. The names and respective street addresses of its officers;
 - c. The names and respective street addresses of its directors;
 - d. A copy of the resolution adopted by the shareholders revoking the voluntary dissolution proceedings;
 - e. The number of shares outstanding;
 - f. The number of shares voted for and against the resolution respectively.
 - K. Voluntary Dissolution—Revocation—Statement—Filing. The original and a duplicate copy of the statement of revocation of voluntary dissolution proceedings, whether by consent of shareholders or

Title 6 TRIBAL ENTERPRISES

by act of the corporation, shall be delivered to the Business Administration Board, which shall, when all fees provided by law have been paid:

1. Endorse on the original the word "filed" and the month, day and year of the filing thereof;
 2. File the original in the Business Administration Board office;
 3. Return to the corporation or its representative the duplicate copy stamped with the date of filing in the office of the Business Administration Board;
 4. The duplicate copy of the statement of revocation of voluntary dissolution proceedings for a foreign corporation, bearing the date of filing in the office of the Business Administration Board, shall be recorded in the office of the county clerk of the county where the registered office of the corporation is located.
- L. Voluntary Dissolution—Revocation—Statement—Filing—Effect. Upon filing and recording in the office of the Business Administration Board of the original of the statement of revocation of voluntary dissolution proceedings, whether by consent of the shareholders or by act of the corporation, the revocation of the voluntary dissolution proceedings shall become effective and the corporation may again carry on its business.
- M. Involuntary Dissolution. A corporation may be dissolved involuntarily by a decree of the Tribal Court in an action filed in the name of the Tribe by the Business Administration Board when any of the following is established:
1. The corporation procured its articles of incorporation through fraud;
 2. The corporation has continued to exceed or abuse the authority conferred upon it by law after reasonable notice to the corporation;
 3. The corporation has failed for ninety (90) days to appoint and maintain a registered agent in Indian country;
 4. The corporation has failed for ninety (90) days after change of its registered office or registered agent to file in the Business Administration Board's office a statement of such change;
 5. The corporation has failed for sixty (60) days to pay any and all fees and taxes due pursuant to the Squaxin Island Tribal Code;
 6. Except where a longer time is permitted for cure under subsection M of this section, the corporation has failed to cure any violation of the Squaxin Island Tribal Code or other applicable law and has received at least fifteen (15) days' written notice that it is conducting business in violation of applicable law.
- N. Venue and Process. Every action for the involuntary dissolution of a corporation shall be commenced by General Counsel of the Tribe in the name of the Tribe in the Tribal Court. Summons shall issue and be served as in other civil actions.
- O. Involuntary Dissolution—Action—Summons—Notice—Default. Every action for the involuntary dissolution of a corporation shall be commenced by the General Counsel in the Tribal Court. Summons shall issue and be served as in other civil actions. If process is returned not found, the General Counsel shall cause publication to be made as in other civil cases in a newspaper of general circulation published in the county where the last-known registered office of the corporation is situated, containing a notice of pendency of such action, the title of the court, the title of the action, and the date on or after which default may be entered. The General Counsel may include in one notice the names of any number of corporations against which actions are then pending in the same court. The General Counsel shall cause a copy of such notice to be mailed to the corporation at its last-known registered office or mailing address within ten (10) days after the first publication thereof. Such notice shall be published at least once each week for two successive weeks, and the first publication thereof may begin at any time after the summons has been returned. Unless a corporation shall have been served with summons, no default shall be taken against it earlier than thirty (30) days after the first publication of such notice.

Title 6 TRIBAL ENTERPRISES

- P. Jurisdiction of the Squaxin Island Tribe. The Tribe shall have full power to liquidate the assets and business of a corporation:
1. In an action by a shareholder when one or more of the following is established:
 - a. That the directors are deadlocked in the management of the corporate affairs and the shareholders are unable to break the deadlock, and that irreparable injury to the corporation is being suffered or is threatened by reason thereof;
 - b. That the acts of the directors or those in control of the corporation are illegal, oppressive or fraudulent;
 - c. That the shareholders are deadlocked in voting power and have failed, for a period which includes at least two consecutive annual meeting dates, to elect successors to directors whose terms have expired or would have expired upon the election of their successors;
 - d. That the corporate assets are being misapplied or wasted.
 2. In an action by a creditor or the Tribe when one or more of the following is established:
 - a. The claim of the creditor has been reduced to judgment and an execution thereon returned unsatisfied and it is established that the corporation is insolvent;
 - b. The corporation has admitted in writing that the claim of the creditor is due and owing and it is established that the corporation is insolvent;
 - c. An application has been made by a corporation which has filed a statement of intent to dissolve, as provided in this chapter, to have its liquidation continued under the supervision of the Tribal Court;
 - d. An action has been filed by the General Counsel for the Tribe to dissolve a corporation and it is established that liquidation of its business and affairs should precede the entry of a decree of dissolution.
- Q. Shareholders Not Necessary Parties. It shall not be necessary to make shareholders parties to any such action or proceeding unless relief is sought against them personally.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.28.220 Liquidation of corporate assets.

- A. Procedure in Liquidation of Corporation by the Tribe. The following procedures shall be followed in the event of liquidation of a corporation by the Tribe:
1. In proceedings to liquidate the assets and business of a corporation, the Tribal Court shall have the power to issue injunctions, to appoint a receiver or receivers pendente lite, with such powers and duties as the Tribal Court from time to time may direct, and to take such other proceedings as may be requisite to preserve the corporate assets wherever situated and carry on the business of the corporation until a full hearing can be had.
 2. In the event that a creditor or creditors petition the Tribal Court to appoint a liquidating receiver, such creditor or creditors shall pay such liquidating receiver's fees, which shall be set by the Tribal Court.
 3. After a hearing had upon such notice as the Tribe may direct to be given to all parties to the proceedings, and to any other parties in interest designated by the Tribal Court, the Tribal Court may appoint a liquidating receiver or receivers with authority to collect the assets of the corporation, including all amounts owing to the corporation by subscribers on account of any unpaid portion of the consideration for the issuance of shares. Such liquidating receiver or receivers shall have authority, subject to the order of the Tribal Court, to sell, convey and dispose of all or any part of the assets of the corporation wherever situated, either at public or private sale. The assets of the corporation or the proceeds resulting from a sale, conveyance or

Title 6 TRIBAL ENTERPRISES

other disposition thereof shall be applied to the expenses of such liquidation and to the payment of the liabilities and obligations of the corporation, and any remaining assets or proceeds shall be distributed among its shareholders according to their respective rights and interests. The order appointing such liquidating receiver or receivers shall state their powers and duties. Such powers and duties may be increased or diminished at any time during the proceedings.

4. The Tribal Court shall have power to allow, from time to time, as the expenses of the liquidation compensation to the receiver or receivers and to attorneys in the proceeding, and to direct the payment thereof out of the assets of the corporation or the proceeds of any sale or disposition of such assets.
 5. A receiver of a corporation appointed under the provisions of this section shall have authority to sue and defend in all courts in his own name as receiver of such corporation. The Tribal Court appointing such receiver shall have exclusive jurisdiction of the corporation and its property, wherever situated.
 6. A receiver of a corporation appointed under the provisions of this section shall, absent gross negligence or wilful misconduct, be held harmless for his or her official acts.
- B. Involuntary Dissolution—Receivers—Qualifications—Bond. A receiver shall in all cases be a natural person or a corporation authorized to act as a receiver, which corporation may be a domestic corporation or a foreign corporation authorized to transact business in Indian country, and every receiver shall give such bond as the Tribal Court may direct with such sureties as the Tribal Court may require.
- C. Filing of Claims in Liquidation Proceedings. In proceedings to liquidate assets and business of a corporation, the Tribe may require all creditors of the corporation to file with the clerk of the Tribal Court or with the receiver, in such form as the Tribal Court may prescribe, proofs under oath of their respective claims. If the Tribal Court requires the filing of claims it shall fix a date, which shall not be less than four months from the date of the order, as the last day for the filing of claims, and shall prescribe the notice that shall be given to creditors and claimants of the date so fixed. Prior to the date so fixed, the Tribal Court may extend the time for the filing of claims. Creditors and claimants failing to file proofs of claim on or before the date so fixed may be barred, by order of the Tribal Court, from participating in the distribution of the assets of the corporation.
- D. Discontinuance of Liquidation Proceedings. The liquidation of the assets and business of a corporation may be discontinued at any time during the liquidation proceedings when it is established that cause for liquidation no longer exists. In such event, the Tribal Court shall make such orders as it deems appropriate with respect to expenses and costs, in accordance with all tribal law, and shall dismiss the proceedings and direct the receiver to redeliver to the corporation all its remaining property and assets.
- E. Decree of Involuntary Dissolution. In proceedings to liquidate the assets and business of a corporation, when the costs and expenses of such proceedings and all debts, obligations and liabilities of the corporation shall have been paid and discharged and all of its remaining property and assets distributed to its shareholders, or in a case when its property and assets are not sufficient to satisfy and discharge such costs, expenses, debts and obligations and all the property and assets have been applied so far as they will go to their payment, the Tribal Court shall enter a decree dissolving the corporation, whereupon the existence of the corporation shall cease.
- F. Filing of Decree of Dissolution. When the Tribal Court has entered a decree dissolving a corporation, it shall be the duty of the clerk of the Tribal Court to cause a certified copy of the decree to be filed with the Business Administration Board. No fee shall be charged by the Business Administration Board for the filing thereof.
- G. Deposit with the Tribe of Amounts Due Certain Shareholders. Upon the voluntary or involuntary dissolution of a corporation, the portion of the assets distributable to a creditor or shareholder who is unknown or cannot be found, or who is under disability and there is no person legally competent to receive such distributive portion, shall be reduced to cash and deposited with the Business Administration Board and shall, upon ex parte petition or such other proceeding as the Tribal Court

deems proper, be paid over to such creditor or shareholder or to his legal representative upon proof reasonably satisfactory to the Business Administration Board of his or her right thereto.

H. Survival or Remedy After Dissolution. The dissolution of a corporation:

1. By the issuance of a certificate of dissolution by the Business Administration Board;
2. By a decree of the Tribe when the Tribal Court has not liquidated the assets and business of the corporation as provided in this chapter; or
3. By expiration of its period of duration; shall not take away or impair any remedy available to or against such corporation, its directors, officers or shareholders, for any right or claim existing or any liability incurred, prior to such dissolution if action or other proceeding thereon is commenced within two years after the date of such dissolution. Any such action or proceeding by or against the corporation may be prosecuted by or defended by the corporation in its corporate name. The shareholders, directors and officers shall have power to take such corporate or other action as shall be appropriate to protect such remedy, right or claim. If such corporation was dissolved by the expiration of its period of duration, such corporation may amend its articles of incorporation at any time during such period of two years so as to extend its period of duration and such amendment shall be deemed to relate back to such date of dissolution.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.28.230 Certificate of authority to transact business.

- A. Foreign/Domestic Corporations Must Have Certificate of Authority. No foreign or domestic corporation shall transact business in Indian country unless it holds a certificate of authority, and no foreign company or corporation may purchase land in the territory under the jurisdiction of the Tribe. This section shall not apply to enterprises wholly owned by the Tribe and doing business in Indian country on or before the effective date of the resolution codified in this chapter.
- B. Application for Certificate of Authority. In order to procure a certificate of authority to transact business, a corporation shall make application to the Business Administration Board, which application shall set forth:
 1. The name of the corporation and, in the event that the applicant is a foreign corporation, the Indian Tribe, state or country under the laws of which it is organized;
 2. The date of its incorporation and the period of its duration;
 3. The address of its principal office;
 4. That it irrevocably consents to the service of process upon it in accordance with Squaxin Island tribal law;
 5. The name and respective addresses of its directors and officers;
 6. A statement of the aggregate number of shares having par value and shares without par value which it shall have authority to issue, itemized by classes and series;
 7. A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series;
 8. A statement that the officers executing the application have been duly authorized by the board of directors of the corporation.

Such application shall be made on forms prescribed and furnished by the Business Administration Board and shall be executed, acknowledged and verified by its president or vice president, and by its secretary or an assistant secretary, and delivered to the Business Administration Board with authenticated copies of its articles of incorporation.

Title 6 TRIBAL ENTERPRISES

- C. Issuance of Certificate of Authority. If the application be according to law, the Business Administration Board, when all fees and charges have been paid as required by law, shall file in its office the application and a copy of the articles of incorporation and shall issue and record a certificate of authority to transact business in Indian country upon the affirmative action of the Business Administration Board.
- D. Contents of Certificate of Authority. The certificate of authority shall contain the name of the corporation, the Indian Tribe or the state or country of organization, the period of duration of its corporate existence, the address of its registered office and a statement that it is authorized to transact business in Indian country.
- E. Effect of Certificate of Authority. After issuance of a certificate of authority and until cancellation or revocation thereof or issuance of a certificate of withdrawal, the corporation shall possess within said territories the same rights and privileges that any corporation would possess if organized for the purpose set forth in the articles of incorporation of such corporation pursuant to which its certificate of authority is issued, and shall be subject to the laws of the Tribe.
- F. Registered Office on Trust Land. Each foreign corporation authorized to transact business on said territories shall have and continuously maintain a registered office on trust land within the territories under the jurisdiction of the Tribe.
- G. Application for Withdrawal—Filing.
 - 1. If a foreign or domestic corporation holding a certificate of authority desires to withdraw, it shall file with the Business Administration Board an application for withdrawal.
 - 2. The application for withdrawal shall set forth:
 - a. The name of the corporation and the Indian Tribe, state and/or country under the laws of which it is organized;
 - b. That it has no property located in Indian country and has ceased to transact business therein;
 - c. That its board of directors has duly determined to surrender its authority to transact business on said territories;
 - d. That it revokes the authority of its registered agent in the Tribe to accept service of process;
 - e. The address to which the Business Administration Board shall mail a copy of any process against the corporation that may be served upon it;
 - f. That it will pay to the Business Administration Board the amount of any additional license, fee or tax properly found by the Business Administration Board to be then due from such corporation;
 - g. Such additional information as may be required or demanded by the Business Administration Board to enable it to determine the additional fee, if any, payable by such corporation.
 - 3. The application for withdrawal shall be executed, acknowledged and verified on behalf of the corporation by its president or a vice president, and by its secretary or an assistant secretary, or, if the corporation is in the hands of a receiver or trustee, by such receiver or trustee.
 - 4. Such application for withdrawal shall be delivered to the Business Administration Board. If, upon receipt thereof, it conforms to the provisions of this chapter, it shall be, when all license fees, filing fees and other charges have been paid as required by law, filed in the office of the Business Administration Board, and the Business Administration Board shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate to the Secretary of State of the state in which the registered office of the corporation is situated. Upon issuance of such certificate by the Business Administration Board, the authority of the corporation to transact business in Indian country shall cease.

Title 6 TRIBAL ENTERPRISES

H. License Revocation.

1. The certificate of authority of a foreign or domestic corporation to transact business in Indian country shall be revoked by the Business Administration Board if the corporation fails to:
 - a. Pay any fee due under the provisions of this chapter or any other provision of tribal law;
 - b. Designate a registered agent when a vacancy occurs in that office, or when the appointed registered agent becomes disqualified or incapacitated;
 - c. File an annual report.
2. When the Business Administration Board shall find that any such default has occurred, it shall give notice by certified mail to such corporation, at its registered office, that such default exists and that its certificate of authority will be revoked unless such default be cured within thirty (30) days after the mailing of such notice.
3. The Business Administration Board shall revoke the certificate of authority of such corporation to do business on territories within the jurisdiction of the Tribe if such default shall not be cured within such period of thirty (30) days, provided that for good cause shown the Business Administration Board may enlarge the period from time to time, but the aggregate of such enlargement shall not exceed ninety (90) days.
4. Upon revoking such certificate of authority, the Business Administration Board shall:
 - a. Issue a certificate of revocation, in duplicate;
 - b. Mail to such corporation, at its principal office in the state or country under the laws of which it is organized, a notice of such revocation, accompanied by one such certificate, and mail to such corporation, at its registered office in Indian country, a notice of such revocation.
5. Upon the issuance of a certificate of revocation, the authority of the corporation to transact business in Indian country shall cease.

I. Cancellation of Certificate of Authority.

1. When the public interest may require, the Tribal Council may direct that an action be brought against a foreign corporation to cancel its certificate of authority to transact business in Indian country upon any of the following grounds:
 - a. The certificate of authority was procured through fraud;
 - b. The certificate of authority should not have been issued to the corporation under this chapter;
 - c. The certificate of authority was procured without a substantial compliance with the conditions prescribed by this section or precedent or essential to its issuance;
 - d. The corporation has offended against any provisions of the tribal law regulating corporations, or has abused or usurped corporation privileges or power;
 - e. The corporation is knowingly and persistently violating any provision of tribal law;
 - f. The corporation has done or omitted any action which amounts to a surrender of its certificate of authority.
2. If the ground for the action is an act which the corporation has done or omitted to do, and it appears probable that correction can be made, then such action shall not be instituted unless the Tribal Council shall give notice to such corporation by certified mail at its registered office on territories under the jurisdiction of the Tribe that such default or violation exists and that an action to cancel its certificate of authority will begin unless such default shall be cured or such violation discontinued within fifteen (15) days.

Title 6 TRIBAL ENTERPRISES

3. The Tribal Council shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the Business Administration Board. The Business Administration Board shall file one copy in its office and shall mail the other copy to the corporation, at its principal office in the state or county under the laws of which it is organized, and mail to the corporation at its registered office in Indian country a notice of such cancellation.
 4. Any foreign corporation whose certificate of authority to do business in Indian country has been revoked or cancelled may file with the Business Administration Board an application for reinstatement. Such application shall be on forms prescribed by the Business Administration Board, shall contain all the matters required to be set forth in an original application for a certificate of authority, and such other pertinent information as may be required by the Business Administration Board.
 5. If the certificate of authority was revoked by the Business Administration Board pursuant to subsection H of this section, the corporation shall pay to the Business Administration Board two hundred dollars (\$200.00) before it may be reinstated. If the certificate of authority was cancelled by a judgment pursuant to subsection I of this section, the corporation shall pay the Business Administration Board five hundred dollars (\$500.00) before it may be reinstated.
 6. Upon filing of such application and upon payment of all penalties, fees and charges required by law, not including, however, an initial license fee or additional license fees to the extent that the same have theretofore been paid by such corporation, the Business Administration Board shall issue and record a certificate of reinstatement and shall transmit such certificate to the corporation at its registered office in Indian country.
- J. Certificates Issued by the Business Administration Board.
1. Any certificate issued by the Business Administration Board pursuant to the provisions of this section, and true copies of such certificate, shall be prima facie evidence of the matter stated therein.
 2. A certificate issued by the Business Administration Board to the effect that a foreign corporation is not authorized to transact business in Indian country shall be prima facie evidence of the facts therein stated.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.28.240 Fees.

- A. Incorporation Fees—License Fees—Duration.
1. Upon submission of articles of incorporation, a corporation shall pay to the Business Administration Board the sum of one hundred dollars (\$100.00) which shall be refundable only upon rejection of the articles of incorporation by the Business Administration Board.
 2. At the time of making application for a certificate of authority, the foreign or domestic corporation making such application shall pay to the Business Administration Board the sum of one hundred twenty-five dollars (\$125.00) as an initial license fee. Prior to the issuance of a certificate of authority, each foreign or domestic corporation shall to the Business Administration Board the sum of three hundred seventy-five dollars (\$375.00) as a license fee. Each certificate of authority shall be valid for one year from the date of issuance.
 3. Upon submitting an instrument extending or renewing corporate existence, a corporation shall pay to the Business Administration Board the sum of one hundred dollars (\$100.00).
 4. All fees shall be nonrefundable unless otherwise provided herein.
- B. Service of Process Fees. When any foreign or domestic corporation incorporated under or authorized to transact business in Indian country fails to appoint or maintain a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office, as shown by the return of the service of process, or whenever any corporation

Title 6 TRIBAL ENTERPRISES

withdraws from Indian country or whenever the certificate of authority of any foreign or domestic corporation is revoked or cancelled, service may be made by delivering to and leaving with the Commissioner of Business Affairs or his or her designee three copies thereof and a fee of twenty-five dollars (\$25.00), provided that, after a foreign or domestic corporation withdraws from Indian country, pursuant to Section 6.28.230 of this chapter, service upon the corporation may be pursuant to the provisions of this section only when based upon the liability or obligation of the corporation incurred within Indian country by the corporation prior to the issuance of a certificate of withdrawal.

- C. **Service of Process Fees for Foreign Corporations.** If a foreign corporation makes a contract with a resident of Indian country to be performed in whole or in part by either party in Indian country or if a foreign or domestic corporation commits a tort in whole or in part in Indian country against a resident of Indian country, such acts shall be deemed to be doing business on territories under the jurisdiction of the Tribe by the foreign corporation and shall be deemed equivalent to the appointment by the foreign or domestic corporation of the Commissioner of Business Affairs and his successors to be its true and lawful attorney upon whom it may be served all lawful process in any action or proceedings against the foreign or domestic corporation arising from or growing out of contract or tort. Process shall be served in duplicate upon the Commissioner of Business Affairs, together with a fee of twenty-five dollars (\$25.00), and the Commissioner of Business Affairs shall mail one copy thereof to the corporation at its last known address and the corporation shall have ten (10) days within which to answer from the date of mailing, notwithstanding any other provision of law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign or domestic corporation that any process against it which is so served upon the Commissioner of Business Affairs of the Tribe shall be of the same legal force and effect as if served personally on it within Indian country.
- D. **Forfeitures.** A corporation or business shall forfeit to the Tribe fifty dollars (\$50.00) for each day it neglects to keep any or all of the books or records as required by the Business Administration Board.
- E. **Partial Waiver of Fees.** Any member of the Tribe who seeks to engage in any commercial activity in Indian country, pursuant to this chapter, shall be eligible for a waiver of imposed fees of fifty (50) percent upon a showing of proof of enrollment.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.28.250 Corporate contracts.

- A. **Corporation Contracts Preserved.** Otherwise lawful contracts and other obligations of any corporation shall not be impaired by any subsequent action of the Tribe or its Tribal Council. No corporation wholly owned by the Tribe may be dissolved under Section 6.28.210(B) of this chapter unless all contracts, debts and obligations of the corporation are satisfied.
- B. **Actions to Impair Corporate Contracts.** Actions to restrain any attempts to impair contracts of tribal corporations, or to declare such actions null and void, shall be available to any interested party in the Tribe. If the Tribal Court finds for the plaintiff in any such action, it shall award treble damages, including all costs, attorney fees and disbursements. Nothing in this section shall be construed to restrict the general application of law or of this chapter to the acts and contracts of tribal corporations.

(Res. 99-80 (part))

6.28.260 Merger and consolidation.

- A. **Merger—Procedure.** Any two or more domestic corporations may merge into one of such corporations pursuant to a plan of merger approved in the manner provided in this chapter. The board of directors of each corporation shall, by resolution adopted by each such board, approve a plan of merger setting forth:

Title 6 TRIBAL ENTERPRISES

1. The names of the corporations proposing to merge and the name of the corporation into which they propose to merge, which is hereinafter designated as the surviving corporation;
 2. The terms and conditions of the proposed merger;
 3. The manner and basis of converting the equity securities of each corporation into securities of the surviving corporation or of any other corporation or, in whole or in part, into cash or other property and, if any equity securities of each merging corporation are not to be converted solely into securities of the surviving entity, the cash, property or securities of any other corporation which the holders of such equity securities are to receive in exchange for, or upon conversion of, such equity securities and the surrender of the certificates evidencing them, which cash, property or securities of any other corporation may be in addition to or in lieu of securities of the surviving corporation;
 4. A statement of any changes in the articles of incorporation of the surviving corporation to be effected by such merger;
 5. Such other provisions with respect to the proposed merger as are deemed necessary or desirable.
- B. Consolidation—Procedure. Any two or more domestic corporations may consolidate into a new entity pursuant to a plan of consolidation approved in the manner provided in this chapter. The board of directors of each corporation shall, by a resolution adopted by each such board, approve a plan of consolidation setting forth:
1. The names of the corporations proposing to consolidate and the name of the new corporation into which they propose to consolidate, which is hereinafter designated as the new corporation;
 2. The terms and conditions of the proposed consolidation;
 3. The manner and basis of converting the equity securities of each corporation into securities of the new corporation or of any other corporation or, in whole or in part, into cash or other property and, if any equity securities of such corporation are not to be converted solely into securities of the new corporation, the cash, property or securities of any other corporation which the holders of such equity securities are to receive in exchange for, or upon conversion of, such equity securities and the surrender of the certificates evidencing them, which cash, property or securities of any other corporation may be in addition to or in lieu of securities of the new corporation;
 4. With respect to the new corporation, all of the statements required to be set forth in articles of incorporation for corporations organized under this chapter;
 5. Such other provisions with respect to the proposed consolidation as are deemed necessary or desirable.
- C. Exchange of Shares—Procedure. All the issued or all the outstanding shares of one or more classes of any domestic corporation may be acquired through the exchange of all such shares of such class or classes by another domestic or foreign corporation pursuant to a plan of exchange approved in the manner provided in this chapter. The board of directors of each corporation shall, by resolution adopted by each such board, approve a plan of exchange setting forth:
1. The name of the corporation the shares of which are proposed to be acquired by exchange and the name of the corporation to acquire the shares of such corporation in the exchange, which is hereinafter designated as the acquiring corporation;
 2. The terms and conditions of the proposed exchange;
 3. The manner and basis of exchanging the shares to be acquired for shares, obligations or other securities of the acquiring corporation or any other corporation or, in whole or in part, for cash or other property;
 4. Such other provisions with respect to the proposed exchange as are deemed necessary or desirable.

Title 6 TRIBAL ENTERPRISES

The procedure authorized by this section shall not be deemed to limit the power of a corporation to acquire all or part of the shares of any class or classes of a corporation through a voluntary exchange or otherwise by agreement with the shareholders.

D. Merger, Consolidation or Exchange—Approval of Shareholders—Exception.

1. The board of directors of each corporation in the case of a merger or consolidation, and the board of directors of the corporation the shares of which are to be acquired in the case of exchange, upon approving such plan of merger, consolidation or exchange, shall by resolution direct that the plan be submitted to a vote at a meeting of its shareholders, which may be either an annual or special meeting. Written or printed notice shall be given to each shareholder of record entitled to vote at such meeting not less than twenty (20) days before such meeting, in the manner provided in this chapter, for the giving of notice of meetings of shareholders and, whether the meeting be an annual or special meeting, shall state that the purpose or one of the purposes of the meeting is to consider the proposed plan of merger, consolidation or exchange. A copy or summary of the plan or merger, consolidation or exchange, as the case may be, shall be included or enclosed with such notice.

At such meeting, a vote of the shareholders shall be taken on the proposed plan. Each outstanding share of each such corporation shall be entitled to vote on the proposed plan, whether or not such share has voting rights under the provisions of the articles of incorporation of such corporation. The plan shall be approved upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each such corporation, unless any class of shares of any such corporation is entitled to vote as a class thereon, in which event, as to such corporation, the plan shall be approved upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each class of shares entitled to vote as a class thereon and of the total outstanding shares. Any class of shares of any such corporation shall be entitled to vote, if any such plan contains any provision which, if contained in a proposed amendment to the articles of incorporation, would entitle such class of shares to vote as a class and, in the case of an exchange, if the class is included in the exchange.

After such approval by a vote of the shareholders of each corporation, and at any time prior to the filing of the articles of merger, consolidation or exchange, the merger, consolidation or exchange may be abandoned pursuant to provisions therefor, if any, set forth in the plan.

2. Notwithstanding the provisions of subsection (D)(1) of this section, submission of a plan of merger to a vote at a meeting of shareholders of a surviving corporation shall not be required if all of the following conditions are satisfied:
 - a. The articles of incorporation of the surviving corporation do not differ except in name from those of the corporation before the merger;
 - b. Each holder of shares of the surviving corporation which were outstanding immediately before the effective date of the merger is to hold the same number of shares with identical rights immediately after;
 - c. The number of voting shares outstanding immediately after the merger, plus the number of voting shares issuable on conversion of other securities issued by virtue of the terms of the merger and on exercise of rights and warrants so issued, will not exceed by more than twenty (20) percent the number of voting shares outstanding immediately before the merger;
 - d. The number of participating shares outstanding immediately after the merger, plus the number of participating shares issuable on conversion of other securities issued by virtue of the terms of the merger and on exercise of the rights and warrants so issued, will not exceed by more than twenty (20) percent the number of participating shares outstanding immediately before the merger.
3. As used in subsection (D)(2) of this section:
 - a. "Voting shares" means shares that entitle their holders to vote unconditionally in elections of directors.

Title 6 TRIBAL ENTERPRISES

- b. "Participating shares" means shares that entitle their holders to participate without limitation in distribution of earnings or surplus.
- E. Merger, Consolidation or Exchange—Articles—Contents—Filing.
1. Upon such approval, the articles of merger, the articles of consolidation or the articles of exchange shall be executed by each corporation by its president or a vice president, and by its secretary or an assistant secretary, and shall set forth all of the following:
 - a. The plan of merger, consolidation or exchange;
 - b. As to each corporation the shareholders of which were required to vote thereon, the number of shares outstanding and, if the shares of any class were entitled to vote as a class, the designation and number of outstanding shares of each such class;
 - c. As to each corporation the shareholders of which were required to vote thereon, the number of shares voted for and against such plan, respectively, and, if the shares of any class were entitled to vote as a class, the number of shares of each such class voted for and against such plan, respectively;
 - d. As to the acquiring corporation in a plan of exchange, a statement that the adoption of the plan and performance of its terms were duly approved by its board of directors and such other requisite corporate action, if any, as may be required of it.
 2. The original and a duplicate copy of the articles of merger, consolidation or exchange shall be delivered to the Business Administration Board, who shall, when all fees provided by law shall have been paid:
 - a. Endorse on the original the word "filed" and the month, day and year of the filing thereof;
 - b. File the original in the office of the Business Administration Board;
 - c. Return to the surviving, new or acquiring corporation, as the case may be, or its representative, the duplicate copy stamped with the date of filing in the office of the Business Administration Board.
- F. Merger—Subsidiary Corporation—Procedure.
1. Any corporation owning ninety-five (95) percent of the outstanding shares of each class of another corporation may merge such other corporation into itself without approval by a vote of the shareholders of either corporation. Its board of directors shall, by resolution, approve a plan of merger setting forth all of the following:
 - a. The name of the subsidiary corporation and the name of the corporation owning ninety-five (95) percent of its shares, which is hereinafter designated as the surviving corporation;
 - b. The manner and basis of converting the shares of the subsidiary corporation into the shares, obligations or other securities of the surviving corporation or of any other corporation or, in whole or in part, into cash or other property;
 - c. The business purpose or purposes for the proposed merger demonstrating a bona fide corporate need for the merger.
 2. A copy of such plan of merger shall be mailed to each shareholder of record of the subsidiary corporation.
 3. Articles of merger shall be executed in duplicate by the surviving corporation by its president or a vice president, and by its secretary or an assistant secretary, and shall set forth all of the following:
 - a. The plan of merger;
 - b. The number of outstanding shares of each class of the subsidiary corporation and the number of such shares of each class owned by the surviving corporation;

Title 6 TRIBAL ENTERPRISES

- c. The date of the mailing to shareholders of the subsidiary corporation of a copy of the plan of merger.
 4. On and after the thirtieth day after the mailing of a copy of the plan of merger to shareholders of the subsidiary corporation, or upon the waiver thereof by the holders of all outstanding shares, duplicate originals of the articles of merger shall be delivered to the Business Administration Board. If the Business Administration Board finds that such articles conform to law, it shall, when all fees and taxes have been paid:
 - a. Endorse on each of the duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - b. File one of such duplicate originals in the Business Administration Board office;
 - c. Issue a certificate of merger to which the Business Administration Board shall affix the other duplicate original.
 5. The certificate of merger, together with the duplicate original of the articles of merger affixed thereto by the Business Administration Board, shall be returned to the surviving corporation or its representative.
- G. Merger, Consolidation or Exchange—When Effective—Consequences.
 1. A merger, consolidation or exchange shall become effective upon filing and recording in the office of the Business Administration Board of the original of the articles of merger, consolidation or exchange or on such later date, not more than thirty (30) days subsequent to the filing thereof with the Business Administration Board, as shall be provided for in the plan. When such merger or consolidation has become effective:
 - a. The several corporations which are parties to the plan of merger or consolidation shall be a single corporation, which, in the case of a merger, shall be that corporation designated in the plan of merger as the surviving corporation, and, in the case of a consolidation, shall be the new corporation provided for in the plan of consolidation;
 - b. The separate existence of all corporations which are parties to the plan of merger or consolidation, except the surviving or new corporation, shall cease;
 - c. Such surviving or new corporation shall have all the rights, privileges, immunities and powers and shall be subject to all duties and liabilities of a corporation organized under this chapter;
 - d. Such surviving or new corporation shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of a public as well as of a private nature of each of the merging or consolidating corporations. All property, real, personal and mixed, all debts due on whatever account, all other things and causes of action and all and every other interest of or belonging to or due to each of the corporations so merged or consolidated shall be taken and deemed to be transferred to and vested in such corporation without further act or deed and shall thereafter be the property of the surviving or new corporation to the same extent as they were of each of such merging or consolidating entities. The title to any real estate, or any interest therein, vested in any of such corporation shall not revert or be in any way impaired by reason of such merger or consolidation;
 - e. Such surviving or new corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each of the corporations so merged or consolidated; and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted as if such merger or consolidation had not taken place, or such surviving or new corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any such corporations shall be impaired by such merger or consolidation;
 - f. In the case of a merger, other than a merger under the provisions of subsection F of this section, the surviving entity's articles of incorporation shall be deemed to be amended to

6.28.270 Severability.

If any clause, sentence, paragraph, section or part of this chapter shall be found by the Tribe or a court of competent jurisdiction to be invalid or unconstitutional, such judgment or decree shall not affect, impair, invalidate or nullify the remainder of this chapter, but the effect thereof shall be confined to the clause, sentence, paragraph, section or part of this chapter as adjudged or decreed to be invalid or unconstitutional.

(Res. 99-80 (part))

6.28.280 Effective date.

This chapter shall be in full force and effect according to its terms from and after August 26, 1999.

(Res. 99-80 (part))

Chapter 6.32 NOT-FOR-PROFIT CORPORATION ORDINANCE

Sections:

[6.32.010 Title.](#)

[6.32.020 Authority.](#)

[6.32.030 Definitions.](#)

[6.32.040 Sections—Applicability.](#)

[6.32.050 Corporate name.](#)

[6.32.060 Registered office and registered agent.](#)

[6.32.070 Service of process on corporation.](#)

[6.32.080 Corporate purposes—Immunities—Taxation of property—Exemptions.](#)

[6.32.090 Shares of stock and dividends—Prohibited.](#)

[6.32.100 Incorporators—Number.](#)

[6.32.110 Books and records—Where kept.](#)

[6.32.120 Corporate powers—Defense of ultra vires.](#)

[6.32.130 Liability.](#)

[6.32.140 Special powers and privileges of corporations wholly owned by the Squaxin Island Tribe.](#)

[6.32.150 Membership.](#)

[6.32.160 Board of directors—Meeting of board of directors.](#)

[6.32.170 Corporate officers.](#)

[6.32.180 Bylaws and articles of incorporation.](#)

[6.32.190 Merger and consolidation.](#)

[6.32.200 Sale, lease, exchange or mortgage of assets.](#)

[6.32.210 Dissolution.](#)

[6.32.220 Liquidation of corporate assets.](#)

[6.32.230 Certificate of authority to transact business.](#)

[6.32.240 Fees.](#)

[6.32.250 Foreign corporations.](#)

[6.32.260 Reports.](#)

[6.32.270 Miscellaneous.](#)

[6.32.280 Severability.](#)

[6.32.290 Effective date.](#)

6.32.010 Title.

The ordinance codified in this chapter shall be known as the Squaxin Island Not-for-Profit Corporation Ordinance.

(Res. 00-17 (part))

6.32.020 Authority.

The Tribal Council of the Squaxin Island Tribe has the inherent sovereign and constitutional power to control and manage the affairs of the Tribe and to establish and operate such enterprises as it may deem proper and to regulate those who transact business under regulations promulgated herein on territories under the jurisdiction of the Squaxin Island Tribe. It is declared that the conduct of not-for-profit business on said territories is vital to the economic security, political integrity and general health and welfare of the Tribe and its members. Therefore, to protect these interests of the Tribe, the Tribal Council adopts this Not-for-Profit Corporation Ordinance.

(Res. 00-17 (part))

6.32.030 Definitions.

For the purposes of this chapter, unless the context requires otherwise:

"Articles of incorporation" or "articles" means the original articles of incorporation and all amendments thereto of the corporation organized hereunder, and includes articles of merger and articles of consolidation.

"Board of directors" means the group of persons vested with the management of the affairs of the corporation irrespective of the name by which such group is designated.

"Business Administration Board" shall have the meaning set forth in Chapter 6.24 of this title.

"Bylaws" means the code or codes of rules adopted for the regulation or management of the affairs of the corporation irrespective of the name or names by which such rules are designated.

"Corporation" means a corporation not-for-profit, except a foreign corporation, subject to the provisions of this chapter.

"Foreign corporation" means a corporation, not-for-profit, organized under laws other than the laws of the Squaxin Island Tribe.

"General Counsel" means the General Counsel to the Tribe.

"Indian country" consistent with the meaning given in 18 U.S.C. 1151 means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and

Title 6 TRIBAL ENTERPRISES

2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal Member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Insolvent" means the inability of a corporation to pay its debts as they become due in the usual course of its affairs.

"Member" means one having membership rights in a corporation in accordance with the provisions of its articles of incorporation or bylaws.

"Not-for-profit corporation" means a corporation no part of the income of which is distributable to its members, directors or officers.

"Ordinance" means the Squaxin Island Not-for-Profit Corporation Ordinance.

"Reservation" means the territory within the exterior boundaries of the Squaxin Island Indian Reservation, and such other lands without those boundaries as may have been or may hereafter be added to the reservation or held in trust for the Tribe under any law of the United States or otherwise.

"Tribal Council" means the Tribal Council of the Squaxin Island Tribe as defined pursuant to the Constitution and Bylaws of the Tribe.

"Tribal Court" means the Squaxin Island Tribal Court, including its civil, criminal and employment divisions and the Squaxin Island Tribal appellate court.

"Tribe" means the Squaxin Island Tribe.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.040 Sections—Applicability.

- A. The provisions of this chapter relating to domestic corporations shall apply to:
 1. All corporations organized under the provisions of this chapter;
 2. All not-for-profit corporations heretofore organized under any act hereby repealed, without shares or capital stock and for a purpose or purposes for which a corporation might be organized under the provisions of this chapter; and
 3. Each not-for-profit corporation having shares or capital stock organized under any act hereby repealed and each not-for-profit corporation, whether with or without shares or capital stock, heretofore organized under any general law or created by special act of the Tribal Council for a purpose or purposes for which a corporation may be organized under the provisions of this chapter, but not otherwise entitled to the rights, privileges, immunities and franchises provided by this chapter which shall elect to accept the provisions of this section as hereinafter provided in this chapter.
- B. The provisions of this chapter relating to foreign corporations shall apply to all foreign not-for-profit corporations conducting affairs in Indian country for a purpose or purposes for which a corporation might be organized under the provisions of this chapter.

(Res. 04-05 (part); Res. 00-17 (part))

6.32.050 Corporate name.

The corporate name:

- A. Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation;
- B. Shall not be the same as, or deceptively similar to, the name of any corporation, whether for profit or not-for-profit, existing under the laws of the Tribe or the state of Washington, or any

Title 6 TRIBAL ENTERPRISES

foreign corporation, whether for profit or not-for-profit, authorized to transact business or conduct affairs in Indian country, or a trade name or other corporate name reserved or registered as permitted by the laws of the Tribe.

(Res. 04-05 (part); Res. 00-17 (part))

6.32.060 Registered office and registered agent.

- A. Each corporation organized pursuant to this chapter shall have and continuously maintain in Indian country a registered agent and a registered office which may be, but need not be, the same as its place of business. A corporation wholly owned by the Tribe may have as its registered agent and registered office the Squaxin Island Legal Department, wherever that department's office may be located, whether within or outside of Indian country.
- B. Changing the registered office and/or registered agent:
 - 1. A corporation may change its registered office or change its registered agent, or both, upon filing in the office of the Business Administration Board a statement in duplicate setting forth:
 - a. The name of the corporation;
 - b. The street address of its then registered office;
 - c. If the street address of its registered office be changed, the street address to which the registered office is to be changed;
 - d. The name of its then registered agent;
 - e. If its registered agent be changed, the name of its successor registered agent;
 - f. That the street address of its registered office and the street address of the office of its registered agent, as changed, will be identical; and
 - g. That such change was authorized by the board of directors and the date on which the resolution authorizing such change was approved.
 - 2. Such statement shall be executed by the corporation by its president or a vice president and delivered to the Business Administration Board in duplicate on forms furnished by the Business Administration Board. If the Business Administration Board finds that such statement conforms to the provisions of this chapter, it shall file such statement in its office. In the case of a foreign corporation, a duplicate statement, bearing the date of filing in the office of the Business Administration Board, shall be recorded in the office of the Secretary of State of the state where the registered office of the corporation is located. If the statement changes the location of the registered office to another state, the statement bearing the date of the filing in the office of the Business Administration Board shall be filed in both states.
 - 3. Any registered agent of a corporation may resign as such agent upon filing a written notice thereof, executed in duplicate, with the Business Administration Board, who shall forthwith mail a copy thereof to the corporation in care of an officer who is not the resigning registered agent, at the address of such officer as shown by the most recent annual report of the corporation. The appointment of such agent shall terminate upon the expiration of thirty (30) days after receipt of such notice by the Business Administration Board.
 - 4. Failure to comply with the provisions of this section shall result in the suspension of such corporation. A registered agent must be appointed to remove such suspension of the corporation.
 - 5. If the corporation is suspended, the annual report and fee cannot be filed and paid in the office of the Business Administration Board until a registered agent is appointed. If the report is not filed, the fee paid and the registered agent appointed by June 2nd of the then-current year, when the fees and report become delinquent, the corporation shall be dissolved for nonpayment of fees in compliance with Section 6.32.210(1) of this chapter.

Title 6 TRIBAL ENTERPRISES

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.070 Service of process on corporation.

The registered agent so appointed by the corporation shall be an agent of such corporation upon whom process, notice or demand required or permitted by law to be served upon the corporation may be served.

(Res. 00-17 (part))

6.32.080 Corporate purposes—Immunities—Taxation of property—Exemptions.

- A. Corporations may be organized under the provisions of this chapter for any lawful purpose or purposes, including, without being limited to, any one or more of the following purposes: charitable; benevolent; eleemosynary; educational; civic; patriotic; political; religious; social; fraternal; literary; cultural; athletic; scientific; agricultural; horticultural; animal husbandry; professional, commercial, industrial or trade association; providing for, erecting, owning, leasing, furnishing and managing any building, hall, dormitory or apartments, lands or grounds for the use or benefit in whole or in part of any governmental, religious, social, educational, scientific, fraternal or charitable society or societies, body or bodies, institution or institutions, incorporated or unincorporated, or for the purpose of holding property of any nature in trust for such society, body or institution; for the purpose of assisting any governmental body in obtaining grants from the federal government; the performance of any requirements necessary to obtain a federal grant or carrying out the purpose for which a federal grant is obtained.
- B. Corporations organized pursuant to the provisions of this chapter as to the ownership and taxation of their property, shall have the rights, privileges and exemptions of the body, society or institution for whose use or benefit or for whom in trust said property is held.
- C. Corporations which are wholly owned by the Tribe and are organized under the provisions of this chapter shall have all of the Tribe's rights, privileges and immunities, including, without limitation, sovereign immunity.

(Res. 00-17 (part))

6.32.090 Shares of stock and dividends—Prohibited.

A corporation shall not have or issue shares of stock. No dividend shall be paid and no part of the income of such a corporation shall be distributed to its members, directors or officers. A corporation may pay compensation in a reasonable amount to its members, directors or officers for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation may make distributions to its members as permitted by the provisions of this chapter, and no such payment, benefit or distribution shall be deemed to be a dividend or a distribution of income.

(Res. 00-17 (part))

6.32.100 Incorporators—Number.

Two or more persons, each over the age of eighteen (18), may incorporate a not-for-profit corporation by signing and delivering articles of incorporation to the Business Administration Board.

(Res. 07-16 (part); Res. 00-17 (part))

6.32.110 Books and records—Where kept.

Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having the authority of the board of directors, and shall keep at its registered office or principal office in Indian country a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by the Business Administration Board or by any member, or its agent or attorney, for any proper purpose at any reasonable time.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.120 Corporate powers—Defense of ultra vires.

A. General Powers. Subject to any limitations provided in any other laws of the Tribe, or in a corporation's articles of incorporation or bylaws, each corporation shall have power:

1. To have perpetual succession unless a limited period of duration is stated in its articles of incorporation;
2. To sue and be sued, complain and defend, in its corporate name, except that the extent of the corporation's liability shall be limited to the assets of the corporation and shall be subject to the limitations contained in this chapter, including but not limited to Section 6.32.140(B) of this chapter, and in Chapter 6.24 of the Squaxin Island Tribal Code;
3. To have a corporate seal which may be altered at pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced. A corporation is not obligated to adopt a corporate seal. The use or nonuse of a corporate seal shall not affect the validity, recordability or enforceability of a document or act. If a corporation has a corporate seal, the use of the seal by the corporation on a document is not necessary;
4. To purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated;
5. To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets, including but not limited to shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships, or individuals;
6. To lend money to, and use its credit to assist, its employees other than its officers, directors and members;
7. To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, whether for profit or not-for-profit, associations, partnerships or individuals, or direct or indirect obligations of the United States or of any other tribe, government, state, territory, governmental district or municipality or of any instrumentality thereof;
8. To make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income;
9. To lend money for its corporate purposes, invest and reinvest its funds and take and hold real and personal property as security for the payment of funds so loaned or invested;
10. To conduct its affairs, carry on its operations and have offices and exercise the powers granted by this chapter, within or without Indian country;
11. To elect or appoint officers and agents of the corporation, and define their duties and fix their compensation;

Title 6 TRIBAL ENTERPRISES

12. To make and alter bylaws, not inconsistent with its articles of incorporation or with the laws of the Tribe, for the administration and regulation of the affairs of the corporation;
13. Unless otherwise provided for in the articles of incorporation, to make donations for the public welfare or for charitable, scientific or educational purposes;
14. To indemnify as follows:
 - a. A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or, upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.
 - b. A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.
 - c. To the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (A)(14)(a) and (b) of this section, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred in connection therewith.
 - d. Any indemnification under subsections (A)(14)(a) and (b) of this section, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in subsections (A)(14)(a) and (b) of this section. Such determination shall be made by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding or, if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the members, as the case may be.

Title 6 TRIBAL ENTERPRISES

- e. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in subsection (A)(14)(d) of this section upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this section;
 - f. The indemnification provided in this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.
 - g. A corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify against such liability under the provisions of this section;
15. To cease its corporate activities and surrender its corporate franchise;
16. To have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized.
- B. Defense of Ultra Vires. No act of a corporation, and no conveyance or transfer of real or personal property to or by a corporation, shall be invalid by reason of the fact that the corporation was without capacity or power to do such act or to make or receive such conveyance or transfer, but such lack of capacity or power may be asserted:
- 1. In a proceeding by a member or a director against the corporation to enjoin the doing or continuation of unauthorized acts or the transfer of real or personal property by or to the corporation. If unauthorized acts or the transfer of real or personal property enjoined are being, or are to be, performed pursuant to any contract to which the corporation is a party, the court may, if all of the parties to the contract are parties to the proceeding and if it deems the same to be equitable, set aside and enjoin the performance of such contract and in so doing may allow the corporation or the other parties to the contract, as the case may be, compensation for the loss or damage sustained by either of them which may result from the action of the court in setting aside and enjoining the performance of such contract, but anticipated profits to be derived from the performance of the contract shall not be awarded by the court as a loss or damage sustained.
 - 2. In a proceeding by the corporation, whether acting directly or through a receiver, trustee, or other legal representative, or through members in a representative suit, against the officers or directors of the corporation for exceeding their authority.
 - 3. In a proceeding by the General Counsel, as provided in this chapter, to dissolve the corporation, or in a proceeding by the General Counsel to enjoin the corporation from performing unauthorized acts, or in any other proceeding by the General Counsel.

(Res. 04-05 (part); Res. 00-17 (part))

6.32.130 Liability.

- A. Limited Liability of the Tribe. The Tribe shall be under no obligation to a corporation or the creditors of any corporation which the Tribe incorporates, owns or operates, in whole or in part, and the Tribe shall not be deemed to have waived any of the Tribe's privileges or immunities, including without

limitation its sovereign immunity, if the Tribe incorporates, owns or operates a corporation, in whole or in part.

B. Director, Officer, or Trustee—Immunity from Civil Liability.

1. Any person who serves as a director, officer or trustee of a not-for-profit organization formed pursuant to this chapter and who is not compensated for his or her services as a director, officer or trustee on a salary or a prorated equivalent basis shall be immune from civil liability for any act or omission which results in damage or injury if such person was acting within the scope of his or her official functions and duties of a director, officer or trustee, unless such damage or injury was caused by the wilful or wanton act or omission of such director, officer or trustee.
2. Nothing in this section shall be construed to establish, diminish or abrogate any duties that a director, officer or trustee of a not-for-profit organization has to the not-for-profit organization for which the director, officer or trustee serves.
3. For purposes of this section, a director, officer or trustee shall not be considered compensated solely by reason of the payment of his or her actual expenses incurred in attending meetings or in executing such office, the receipt of meals at meetings, or the receipt of gifts not exceeding a total value of one hundred dollars (\$100.00) in any twelve consecutive months.

(Res. 00-17 (part))

6.32.140 Special powers and privileges of corporations wholly owned by the Squaxin Island Tribe.

The Squaxin Island Tribe may, from time to time, organize corporations to carry out governmental functions on its behalf, including but not limited to generating revenues to meet governmental needs and purposes. The special powers describe in this section shall only be available to a corporation wholly owned by the Tribe. Such wholly owned corporations:

- A. Shall have any and all of the Tribe's rights, privileges and immunities (including, without limitation, sovereign immunity) concerning federal and state taxes and jurisdiction to the same extent that the Tribe would have such rights, privileges and immunities if it engaged in the activities undertaken by the corporation. Absent consent, a corporation wholly owned by the Tribe shall not be subject to taxation by the Tribe, except to the extent that such taxation is necessary and reasonably appropriate to compensate the Tribe for services provided to the corporation by the Tribe;
- B. Shall have the power to sue and is authorized to consent to be sued in the Tribal Court, and other courts of competent jurisdiction; provided, however, that any recovery against such corporation for any such consent shall be limited to the assets of the corporation, and that, to be effective, such corporation must explicitly consent to be sued in a contract or other commercial document which specifies the terms and conditions of such consent; provided however, that consent to suit by a corporation shall in no way extend to the Tribe, nor shall a consent to suit by a corporation in any way be deemed a waiver of any of the rights, privileges or immunities of the Tribe.

(Res. 07-16 (part); Res. 00-17 (part))

6.32.150 Membership.

- A. Members. A corporation may have one or more classes of members or may have no members. If a corporation has one or more classes of members, the designation of such class or classes, the manner of election or appointment and the qualifications and rights of the members of each class shall be set forth in the articles of incorporation or the bylaws. If the corporation has no members, that fact shall be set forth in the articles of incorporation or the bylaws. A corporation may issue certificates evidencing membership therein.

Title 6 TRIBAL ENTERPRISES

B. Meetings.

1. Meetings of members may be held at such place, either within or without Indian country, as may be provided in the bylaws. In the absence of any such provision, all meetings shall be held at the principal office of the corporation in Indian country. Except as may be otherwise restricted by the articles of incorporation or bylaws, members may participate in any regular or special meeting of the members or conduct the meeting through the use of any means of communication by which all persons participating in the meeting can simultaneously hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.
2. An annual meeting of the members shall be held at such time as may be provided in the bylaws. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation.
3. Special meetings of the members may be called by the president or by the board of directors. Special meetings of the members may also be called by such other officers or persons of number or proportion of members as may be provided in the articles of incorporation or the bylaws. In the absence of a provision fixing the number or proportion of members entitled to call a meeting, a special meeting of members may be called by members having one-fifth of the votes entitled to be cast at such meeting.

C. Meetings—Notice.

1. Notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. If the corporation holds regular weekly or monthly meetings, such notice shall be deemed to be delivered by the announcement of such notice at not less than two consecutive regular meetings. If mailed, such notice may be included within any regular publication mailed to members and shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid.
2. The bylaws may provide that no notice need be given of regular meetings or of adjourned meetings.

D. Voting—Proxies.

1. The right of the members, or any class or classes of members, to vote may be limited, enlarged or denied to the extent specified in the articles of incorporation or the bylaws. Unless so limited, enlarged or denied, each member, regardless of class, shall be entitled to one vote on each matter submitted to a vote of members.
2. A member may vote in person or, unless the articles of incorporation or bylaws otherwise provide, may vote by proxy executed in writing by the member or by a duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Where directors or officers are to be elected by members, the bylaws may provide that such elections may be conducted by mail.
3. The articles of incorporation or the bylaws may provide that in all elections for directors, every member entitled to vote shall have the right to cumulate a vote and to give one candidate a number of votes equal to that vote multiplied by the number of directors to be elected or by distributing such votes on the same principle among any number of such candidates.

E. Quorum. The bylaws may provide the number or percentage of members entitled to vote represented in person or by proxy, or the number or percentage of votes represented in person or by proxy, which shall constitute a quorum at a meeting of members. In the absence of any such provision, members holding one-fifth of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the

members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by the provisions of this chapter, the articles of incorporation or the bylaws.

(Res. 04-05 (part); Res. 00-17 (part))

6.32.160 Board of directors—Meeting of board of directors.

- A. Qualifications. The affairs of the corporation shall be managed by a board of directors or its functional equivalent. Directors need not be tribal members, residents of Indian country, or members of the corporation, unless the articles of incorporation or the bylaws so require. The articles of incorporation or the bylaws may prescribe other qualifications for directors.
- B. Number—Election—Term—Removal.
 - 1. The number of directors of a corporation shall not be less than three. Subject to such limitation, the number of directors shall be fixed by the bylaws, except as to the number of the first board of directors, which number shall be fixed by the articles of incorporation. The number of directors may be increased or decreased from time to time by amendment to the bylaws, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation. No decrease in number shall have the effect of shortening the term of any incumbent director. In the absence of a bylaw fixing the number of directors, the number shall be the same as that stated in the articles of incorporation.
 - 2. The directors constituting the first board of directors shall be named in the articles of incorporation and shall hold office until the first annual election of directors or for such other period as may be specified in the articles of incorporation or bylaws. Thereafter, directors shall be elected or appointed in the manner and for the terms provided in the articles of incorporation or the bylaws. In the absence of a provision fixing the term of office, the term of office of a director shall be one year.
 - 3. Directors may be divided into classes and the terms of office of the several classes need not be uniform. Each director shall hold office for the term for which elected or appointed and until a successor shall have been elected or appointed and qualified.
 - 4. A director may be removed from office pursuant to any procedure therefor provided in the articles of incorporation.
- C. Vacancies. Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the board of directors unless the articles of incorporation or the bylaws provide that a vacancy or directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected or appointed, as the case may be, to fill a vacancy, shall be elected or appointed for the unexpired term of the predecessor in office.
- D. Quorum. A majority of the number of directors fixed by the bylaws, or, in the absence of a bylaw provision fixing the number of directors, then of the number stated in the articles of incorporation, shall constitute a quorum for the transaction of business, unless otherwise provided in the articles of incorporation or the bylaws, but in no event shall a quorum consist of less than one-third of the number of directors so fixed or stated. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by the provisions of this chapter, the articles of incorporation or the bylaws.
- E. Designation and Appointment of Committees. If the articles of incorporation or the bylaws so provide, the board of directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in such resolution, in the articles of incorporation, or in the bylaws of the corporation, shall have and exercise the authority of the board of directors in the management of the corporation, provided that no such committee shall have the authority of the board of directors

Title 6 TRIBAL ENTERPRISES

in reference to: amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the board of directors. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him or her by law.

F. Meeting.

1. After the issuance of the certificate of incorporation an organization meeting of the board of directors named in the articles of incorporation shall be held, either within or without Indian country, at the call of a majority of the incorporators, for the purpose of adopting bylaws, electing officers and the transaction of such other business as may come before the meeting. The incorporators calling the meeting shall give at least five days' notice thereof by mail to each director so named, which notice shall state the date, time and location of the meeting.
2. Meetings of the board of directors, regular or special, may be held either within or without Indian country. Regular meetings of the board of directors or any committee established by the board may be held with or without notice as prescribed by the bylaws. Special meetings of the board of directors or any committee established by the board shall be held upon such notice as is prescribed in the bylaws. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting unless the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the board of directors or any committee established by the board need be specified in the notice or waiver of notice of such meeting unless required by the bylaws.
3. Except as may be otherwise restricted by the articles of incorporation or bylaws, members of the board of directors or any committee established by the board may participate in any regular or special meeting of the board or committee or conduct the meeting through the use of any means of communication by which all persons participating in the meeting can simultaneously hear each other during the meeting. Participation by such means shall constitute presence in person at the meeting.

(Res. 04-05 (part); Res. 00-17 (part))

6.32.170 Corporate officers.

A. Election—Appointment.

1. The officers of a corporation shall consist of a president, one or more vice presidents, a secretary, a treasurer and such other officers and assistant officers as may be deemed necessary, each of whom shall be elected or appointed at such time and in such manner as may be prescribed in the articles of incorporation or by the bylaws. In the absence of any such provision, all offices shall be elected or appointed annually by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary and except the offices of president and vice president.
2. The articles of incorporation or the bylaws may provide that any one or more officers of the corporation shall be ex officio members of the board of directors.
3. The officers of a corporation may be designated by such additional titles as may be provided in the articles of incorporation or the bylaws.

B. Removal. Any officer elected or appointed may be removed by the persons authorized to elect or appoint such officer whenever in their judgment the best interests of the corporation will be served

thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

- C. Loans to Directors and Officers—Prohibited. No loans shall be made by a corporation to its directors or officers. The directors of a corporation who vote for or assent to the making of a loan to a director or officer of the corporation, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

(Res. 00-17 (part))

6.32.180 Bylaws and articles of incorporation.

- A. Bylaws. The initial bylaws of a corporation shall be adopted by its board of directors. The power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws. The bylaws may contain any provisions for the regulation and management of the affairs of a corporation not inconsistent with law or the articles of incorporation.
- B. Who May Incorporate. Any two persons over the age of eighteen (18) may act as the incorporator of a corporation by delivering articles of incorporation to the Business Administration Board for filing.
- C. Contents of Articles of Incorporation.
 - 1. The articles of incorporation shall set forth:
 - a. The name of the corporation;
 - b. The period of duration, which may be perpetual;
 - c. The purpose or purposes for which the corporation is organized;
 - d. Any provisions, not inconsistent with law, which the incorporators elect to set forth in the articles of incorporation for the regulation of the internal affairs of the corporation, including any provision for distribution of assets on dissolution or final liquidation;
 - e. The street address of its initial registered office and the name of its initial registered agent at such address;
 - f. The number of directors constituting the initial board of directors and the names and street addresses of the persons who are to serve as the initial directors;
 - g. The name and street address of each incorporator.
 - 2. It shall not be necessary to set forth in the articles of incorporation any of the corporate powers enumerated in this chapter.
 - 3. Unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws shall be controlling. In all other cases, whenever a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation shall be controlling.
 - 4. The articles of incorporation shall be signed by each of the incorporators.
- D. Articles of Incorporation—Filing—Fees. Two duplicate originals of the articles of incorporation shall be delivered to the Business Administration Board. If the Business Administration Board finds that the articles of incorporation conform to tribal law, it shall, when all fees have been paid:
 - 1. Endorse on each such duplicate original the word "filed" and the month, day and year of the filing thereof.
 - 2. Maintain one such duplicate original in the office of the Business Administration Board.

Title 6 TRIBAL ENTERPRISES

3. Issue a certificate of incorporation to which the Business Administration Board shall affix the other duplicate original and return to the incorporators or their representative.
- E. Certificate of Incorporation—Issuance—Effect. Upon the issuance of the certificate of incorporation, the corporate existence shall begin, and such certificate of incorporation shall be conclusive evidence that all conditions precedent required to be performed by the incorporators have been complied with and that the corporation has been incorporated under this chapter, except as against the Tribe in a proceeding to cancel or revoke the certificate of incorporation.
- F. Articles of Incorporation—Amendment. A corporation may amend its articles of incorporation, from time to time, in any and as many respects as may be desired, so long as its articles of incorporation, as amended, contain only such provisions as are lawful under this ordinance.
- G. Articles of Incorporation—Amendment—Manner.
 1. Amendments to the articles of incorporation shall be made in the following manner:
 - a. Where there are members having voting rights, the board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member entitled to vote at such meeting within the time and in the manner provided in this ordinance for the giving of notice of meetings of members. The proposed amendments shall be adopted upon receiving at least two-thirds of the votes which members present at such meeting or represented by proxy are entitled to cast;
 - b. Where there are no members, or no members having voting rights, an amendment shall be adopted at a meeting of the board of directors upon receiving the vote of a majority of the directors in office.
 2. Any number of amendments may be submitted and voted upon at any one meeting.
- H. Articles of Incorporation—Amendment—Procedure—Statements Required. The amendments of the articles shall be executed in duplicate by the corporation, by its president or a vice president, and by its secretary or an assistant secretary, and shall set forth:
 1. The name of the corporation;
 2. The amendment so adopted;
 3. Where there are members having voting rights, (a) a statement setting forth the date of the meeting of members at which the amendment was adopted, that a quorum was present at such meeting, and that such amendment received at least two-thirds of the votes which members present at such meeting or represented by proxy were entitled to cast; or (b) a statement that such amendment was adopted by a consent in writing signed by all members entitled to vote with respect thereto; and
 4. Where there are no members, or no members having voting rights, a statement of such fact, the date of the meeting of the board of directors at which the amendment was adopted, and a statement of the fact that such amendment received the vote of a majority of the directors in office.
- I. Articles of Incorporation—Amendment—Filing—Fees. Duplicate originals of the articles of amendment(s) of the articles shall be delivered to the Business Administration Board. If the Business Administration Board determines that amendment(s) of the articles conform to tribal law, the Business Administration Board shall, when all fees have been paid:
 1. Endorse on each duplicate original the word "filed" and the month, day and year of such filing thereof;
 2. Maintain one such duplicate original in the Business Administration Board's office; and
 3. Return one duplicate original to the corporation or its representative.

J. Articles of Incorporation—Amendment—Effect.

1. Upon the filing of the amendment(s) by the Business Administration Board, the amendment(s) shall become effective and the articles of incorporation shall be deemed to be amended accordingly.
2. No amendment shall affect any existing cause of action in favor of or against such corporation, or any pending action to which such corporation shall be a party, or the existing rights of persons other than members, and, in the event the corporate name shall be changed by amendment, no action brought by or against such corporation under its former name shall abate for that reason.

(Res. 07-16 (part); Res. 00-17 (part))

6.32.190 Merger and consolidation.

A. Merger—Procedure.

1. Any two or more domestic corporations may merge into one of such corporations pursuant to a plan of merger approved in the manner provided in this chapter.
2. Each corporation shall adopt a plan of merger setting forth:
 - a. The names of the corporations proposing to merge and the name of the corporation into which they propose to merge, which is hereinafter designated as the surviving corporation;
 - b. The terms and conditions of the proposed merger;
 - c. A statement of any changes in the articles of incorporation of the surviving corporation to be effected by such merger; and
 - d. Such other provisions with respect to the proposed merger as are deemed necessary or desirable.

B. Consolidation—Procedure.

1. Any two or more domestic corporations may consolidate into a new corporation pursuant to a plan of consolidation approved in the manner provided in this chapter.
2. Each corporation shall adopt a plan of consolidation setting forth:
 - a. The names of the corporations proposing to consolidate and the name of the new corporation into which they propose to consolidate, which is hereinafter designated as the new corporation;
 - b. The terms and conditions of the proposed consolidation;
 - c. With respect to the new corporation, all of the statements required to be set forth in articles of incorporation for corporations organized under this chapter; and
 - d. Such other provisions with respect to the proposed consolidation as are deemed necessary or desirable.

C. Merger or Consolidation—Approval.

1. A plan of merger or consolidation shall be adopted in the following manner:
 - a. Where the members of any merging or consolidating corporation have voting rights, the board of directors of such corporation shall adopt a resolution approving the proposed plan and directing that it be submitted to a vote at a meeting of members having voting rights, which may be either an annual or special meeting. Written or printed notice setting forth the proposed plan or a summary thereof shall be given to each member entitled to vote at such meeting within the time and in the manner provided in this chapter for the giving of notice of meetings of members. The proposed plan shall be adopted upon receiving at least two-

Title 6 TRIBAL ENTERPRISES

thirds of the votes which members present at each such meeting or represented by proxy are entitled to cast; and

- b. Where any merging or consolidating corporation has no members, or no members having voting rights, a plan of merger or consolidation shall be adopted at a meeting of the board of directors of such corporation upon receiving the vote of a majority of the directors in office.
2. After such approval, and at any time prior to the filing of the articles of merger or consolidation, the merger or consolidation may be abandoned pursuant to provisions therefor, if any, set forth in the plan.
- D. Merger or Consolidation—Articles—Contents—Filing.
1. Upon such approval, the articles of merger or the articles of consolidation shall be executed in duplicate by each corporation by its president or a vice president, and by its secretary or an assistant secretary, and shall set forth:
 - a. The plan of merger or the plan of consolidation;
 - b. Where the members of any merging or consolidating corporation have voting rights, then as to each such corporation: (i) a statement setting forth the date of the meeting of members at which the plan was adopted, that a quorum was present at such meeting, and that such plan received at least two-thirds of the votes which members present at such meeting or represented by proxy were entitled to cast; or (ii) a statement that such plan was adopted by a consent in writing signed by all members entitled to vote with respect thereto; and
 - c. Where any merging or consolidating corporation has no members, or no members having voting rights, then as to each such corporation a statement of such fact, the date of the meeting of the board of directors at which the plan was adopted, and a statement of the fact that such plan received the vote of a majority of the directors in office.
 2. Duplicate originals of the articles of merger or articles of consolidation shall be delivered to the Business Administration Board. If the Business Administration Board determines that such articles conform to tribal law, it shall, when all fees have been paid:
 - a. Endorse on each such duplicate original the word "filed" and the month, day and year of the filing thereof;
 - b. File one such duplicate original in the office of the Business Administration Board; and
 - c. Return to the surviving or new corporation, as the case may be, or its representative, the other duplicate original stamped with the date of filing in the office of the Business Administration Board.
- E. Merger or Consolidation—Effective Date. Upon the filing of the merger or the consolidation articles by the Business Administration Board, the merger or consolidation shall be effective.
- F. Merger or Consolidation—Effect. When such merger or consolidation has become effective:
1. The several corporations which are parties to the plan of merger or consolidation shall be a single corporation, which, in the case of a merger, shall be that corporation designated in the plan of merger as the surviving corporation, and, in the case of a consolidation, shall be the new corporation provided for in the plan of consolidation.
 2. The separate existence of all corporations that are parties to the plan of merger or consolidation, except the surviving or new corporation, shall cease.
 3. Such surviving or new corporation shall have all the rights, privileges, immunities and powers and shall be subject to all duties and liabilities of a corporation organized under this ordinance.
 4. Such surviving or new corporation shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of a public as well as of a private nature of each of the

Title 6 TRIBAL ENTERPRISES

merging or consolidating corporations. All property, real, personal and mixed, all debts due on whatever account, all other things and causes of action and all and every other interest of or belonging to or due to each of the corporations so merged or consolidated shall be taken and deemed to be transferred to and vested in such single corporation without further act or deed and shall thereafter be the property of the surviving or new corporation to the same extent as they were of each of such merging or consolidating entities. The title to any real estate, or any interest therein, vested in any of such corporation shall not revert or be in any way impaired by reason of such merger or consolidation.

5. Such surviving or new corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each of the corporations so merged or consolidated; and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted as if such merger or consolidation had not taken place, or such surviving or new corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any such corporations shall be impaired by such merger or consolidation.
6. In the case of a merger, the surviving entity's articles of incorporation shall be deemed to be amended to the extent, if any, that changes in its articles of incorporation are stated in the plan of merger, and, in the case of a consolidation, the statements set forth in the articles of consolidation, and which are required or permitted to be set forth in the articles of incorporation of corporations organized under this chapter shall be deemed to be the original articles of incorporation of the new corporation.

(Res. 07-16 (part); Res. 00-17 (part))

6.32.200 Sale, lease, exchange or mortgage of assets.

A sale, lease, exchange, mortgage or pledge or other disposition of all, or substantially all, of the property and assets of a corporation may be made upon such terms and conditions and for such consideration, which may consist in whole or in part of money or property, real or personal, including shares of any corporation for profit, domestic or foreign, as may be authorized in the following manner:

- A. Where there are members having voting rights, the board of directors shall adopt a resolution recommending such sale, lease, exchange, mortgage, pledge or other disposition and directing that it be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, the property and assets of the corporation shall be given to each member entitled to vote at such meeting, within the time and in the manner provided by this chapter for the giving of notice of meetings of members. At such meeting, the members may authorize such sale, lease, exchange, mortgage, pledge or other disposition and may fix, or may authorize the board of directors to fix, any or all of the terms and conditions thereof and the consideration to be received by the corporation therefor. Such authorization shall require at least two-thirds of the votes which members present at such meeting or represented by proxy are entitled to cast. After such authorization by a vote of members, the board of directors, nevertheless, in its discretion, may abandon such sale, lease, exchange, mortgage, pledge or other disposition of assets, subject to the rights of third parties under any contracts relating thereto, without further action or approval by members; or
- B. Where there are no members, or no members having voting rights, a sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, the property and assets of a corporation shall be authorized upon receiving the vote of a majority of the directors in office.

(Res. 00-17 (part))

6.32.210 Dissolution.

- A. Voluntary Dissolution by Incorporators. A corporation which has not commenced business and which does not have any members, or does not have any members with voting rights, may be voluntarily dissolved by its incorporators at any time in the following manner:
1. Articles of dissolution shall be executed in duplicate by a majority of the incorporators and verified by them and shall set forth:
 - a. The name of the corporation;
 - b. The date of issuance of its certificate of incorporation;
 - c. That the corporation does not have any members or does not have any members with voting rights;
 - d. That the corporation has not commenced business;
 - e. That no debts of the corporation remain unpaid; and
 - f. That a majority of the incorporators elect that the corporation be dissolved.
 2. Duplicate originals of the articles of dissolution shall be delivered to the Business Administration Board. If the Business Administration Board finds that the articles of dissolution conform to law, it shall:
 - a. Endorse on each of the duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - b. File one of the duplicate originals in the Business Administration Board's office; and
 - c. Issue a certificate of dissolution to which the Business Administration Board shall affix the other duplicate original.
 3. The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto by the Business Administration Board, shall be returned to the incorporators or their representative. Upon the issuance of such certificate of dissolution by the Business Administration Board, the existence of the corporation shall cease.
- B. Voluntary Dissolution by Consent of Members with Voting Rights. A corporation may be voluntarily dissolved by the written consent of all its members with voting rights. A corporation wholly owned and operated by the Tribe shall only be dissolved voluntarily by a resolution adopted by a two-thirds majority of the then voting members of the Tribal Council, upon recommendation and approval of such resolution by the board of directors of the dissolving corporation. Upon the execution of such written consent, a statement of intent to dissolve shall be executed in duplicate by the corporation, by its president or vice president, or in the case of corporations wholly owned by the Tribe by the chair and vice chair of the Tribal Council, and in all cases, by the corporation's secretary or an assistant secretary, and verified by one of the officers signing such statement, which statement shall set forth:
1. The name of the corporation;
 2. The names and addresses of its officers;
 3. The names and addresses of its directors;
 4. A statement that written consent has been signed by the members of the corporation with voting rights or signed in their names by their attorneys thereunto duly authorized; and
 5. The written consent, which shall be signed by all members of the corporation with voting rights, or, in the case of a corporation wholly owned by the Tribe, signed by at least two-thirds of the then voting members of the Tribal Council.
- C. Voluntary Dissolution by Act of Corporation. A corporation may be dissolved by the act of the corporation, when authorized in the following manner:

Title 6 TRIBAL ENTERPRISES

1. A corporation wholly owned and operated by the Tribe shall be dissolved by a resolution adopted by the board of directors and separately concurred in by a two-thirds majority of the then voting members of the Tribal Council.
 2. The board of directors shall adopt a resolution recommending that the corporation be dissolved, and directing that the question of such dissolution be submitted to a vote at a meeting of members with voting rights, which may be either an annual or a special meeting.
 3. Written notice shall be given to each member of record entitled to vote at such meeting within the time and in the manner provided in this chapter for the giving of notice of meetings of members and, whether the meeting be an annual or special meeting, shall state that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation.
 4. At such meeting a vote of members entitled to vote shall be taken on a resolution to dissolve the corporation. Such resolution shall be adopted upon receiving the affirmative vote of a majority of members entitled to vote thereon.
 5. Upon the adoption of such resolution, a statement of intent to dissolve shall be executed in duplicate by the corporation by: (a) its president or a vice president; and (b) by its secretary or an assistant secretary, and verified by one of the officers signing such statement, which statement shall set forth:
 - a. The name of the corporation;
 - b. A copy of the resolution adopted by the members or the Tribe authorizing the dissolution of the corporation;
 - c. The number of members who voted for and against the resolution, respectively;
 - d. The names and addresses of its officers; and
 - e. The names and addresses of its directors.
- D. Filing of Statement of Intent to Dissolve. Duplicate originals of the statement of intent to dissolve, whether by consent of members or by act of the corporation, shall be delivered to the Business Administration Board. If the Business Administration Board finds that such statement conforms to law, the Business Administration Board shall:
1. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 2. File one of such duplicate originals in the Business Administration Board's office; and
 3. Return the other duplicate original to the corporation or its representative.
- E. Effect of Statement of Intent to Dissolve. Upon the filing with the Business Administration Board of a statement of intent to dissolve, whether by consent of members or by act of the corporation, the corporation shall cease to carry on its business, except insofar as may be necessary for the winding up thereof; but its corporate existence shall continue until a certificate of dissolution has been issued by the Business Administration Board or until a decree dissolving the corporation has been entered by the Tribal Court.
- F. Procedure After Filing of Statement of Intent to Dissolve. After filing with the Business Administration Board of a statement of intent to dissolve:
1. The corporation shall immediately cause notice thereof to be mailed to each known creditor of the corporation;
 2. The corporation shall proceed to collect its assets, convey and dispose of such of its properties pursuant to subsection J of this section, pay, satisfy and discharge its liabilities and obligations, and do all other acts required to liquidate its business and affairs;

Title 6 TRIBAL ENTERPRISES

3. The corporation may, at any time during the liquidation of its business affairs, make application to the Tribal Court to have the liquidation continued under the supervision of the Tribal Court;
 4. No corporation shall be dissolved under this chapter until any and all fees and taxes due to or assessable by the Tribe shall have been paid.
- G. Articles of Dissolution. When all debts, liabilities and obligations of the corporation have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the corporation have been distributed pursuant to subsection J of this section, articles of dissolution shall be executed in duplicate by the corporation by its president or a vice president, and by its secretary or an assistant secretary, which statement shall set forth:
1. The name of the corporation;
 2. That all debts, obligations and liabilities of the corporation have been paid and discharged or that adequate provision has been made therefor;
 3. That all the remaining property and assets of the corporation have been distributed pursuant to subsection J of this section; and
 4. That there are no suits pending against the corporation in any court, or that adequate provision has been made for the satisfaction of any judgment, order or decree which may be entered against it in any pending suit.
- H. Filing Articles of Dissolution. Duplicate originals of such articles of dissolution shall be delivered to the Business Administration Board. If the Business Administration Board finds that such articles of dissolution conform to tribal law, the Business Administration Board shall:
1. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 2. Maintain one of such duplicate originals in the Business Administration Board's office;
 3. Issue a certificate of dissolution to which the Business Administration Board shall affix the other duplicate original; and
 4. Return the certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, to the representative of the dissolved corporation. Upon the issuance of such certificate of dissolution, the existence of the corporation shall cease, except for the purpose of suits, other proceedings and appropriate corporate action by members, directors and officers.
- I. Involuntary Dissolution. A corporation may be dissolved involuntarily by a decree of the Tribal Court in an action filed in the name of the Tribe by the General Counsel when it is established that:
1. The corporation procured its articles of incorporation through fraud;
 2. The corporation has continued to exceed or abuse the authority conferred upon it by law after reasonable notice to the corporation;
 3. The corporation has failed for ninety (90) days to appoint and maintain a registered agent in Indian country;
 4. The corporation has failed for ninety (90) days after a change of its registered office or registered agent to file in the Business Administration Board's office a statement of such change;
 5. The corporation has failed for sixty (60) days to pay any and all fees and taxes due pursuant to tribal law; or
 6. Except where a longer time is permitted for cure under subsection I of this section, the corporation has failed to cure any violation of the Squaxin Island Tribal Code or other applicable law and has received at least fifteen (15) days' written notice that it is conducting business in violation of applicable law.

Title 6 TRIBAL ENTERPRISES

- J. Dissolution—Distribution of Assets. The assets of a corporation in the process of dissolution shall be applied and distributed as follows:
1. All liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor;
 2. Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;
 3. Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational or similar purposes, but not held upon a condition requiring return, transfer or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies or organizations engaged in activities substantially similar to those of the dissolving corporation, pursuant to a plan of distribution adopted as provided in this chapter;
 4. Other assets, if any, shall be distributed in accordance with the provision of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others; and
 5. Any remaining assets may be distributed to such persons, societies, organizations or domestic or foreign corporations, whether for profit or not-for-profit, as may be specified in a plan of distribution adopted as provided in this chapter.
- K. Venue and Process. Every action for the involuntary dissolution of a corporation shall be commenced by General Counsel of the Tribe in the name of the Tribe in the Tribal Court. Summons shall issue and be served as in other civil actions.
- L. Involuntary Dissolution—Action—Summons—Notice—Default. Every action for the involuntary dissolution of a corporation shall be commenced by the General Counsel in the Tribal Court. Summons shall issue and be served as in other civil actions. If process is returned not found, the General Counsel shall cause publication to be made as in other civil cases in a newspaper of general circulation published in the county where the last-known registered office of the corporation is situated, containing a notice of pendency of such action, the title of the court, the title of the action, and the date on or after which default may be entered. The General Counsel may include in one notice the names of any number of corporations against which actions are then pending in the same court. The General Counsel shall cause a copy of such notice to be mailed to the corporation at its last-known registered office or mailing address within ten (10) days after the first publication thereof. Such notice shall be published at least once each week for two successive weeks, and the first publication thereof may begin at any time after the summons has been returned. Unless a corporation shall have been served with summons, no default shall be taken against it earlier than thirty (30) days after the first publication of such notice.
- M. Jurisdiction of the Squaxin Island Tribe. The Tribe shall have full power to liquidate the assets and business of a corporation:
1. In an action by an officer, director or member when one or more of the following is established:
 - a. That the directors are deadlocked in the management of the corporate affairs and the members are unable to break the deadlock, and that irreparable injury to the corporation is being suffered or is threatened by reason thereof;
 - b. That the acts of the directors or those in control of the corporation are illegal, oppressive or fraudulent;
 - c. That the members or directors are deadlocked in voting power and have failed, for a period which includes at least two consecutive annual meeting dates, to elect successors to directors whose terms have expired or would have expired upon the election of their successors;

Title 6 TRIBAL ENTERPRISES

- d. That the corporate assets are being misapplied or wasted.
2. In an action by a creditor or the Tribe when one or more of the following is established:
 - a. The claim of the creditor has been reduced to judgment and an execution thereon returned unsatisfied and it is established that the corporation is insolvent;
 - b. The corporation has admitted in writing that the claim of the creditor is due and owing and it is established that the corporation is insolvent;
 - c. An application has been made by a corporation which has filed a statement of intent to dissolve, as provided in this chapter, to have its liquidation continued under the supervision of the Tribal Court;
 - d. An action has been filed by the General Counsel for the Tribe to dissolve a corporation and it is established that liquidation of its business and affairs should precede the entry of a decree of dissolution.
- N. **Members Not Necessary Parties.** It shall not be necessary to make members parties to any such action or proceeding unless relief is sought against them personally.
(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.220 Liquidation of corporate assets.

- A. **Procedure in Liquidation of Corporation by the Tribe.** The following procedures shall be followed in the event of liquidation of a corporation by the Tribe:
 1. In proceedings to liquidate the assets and business of a corporation, the Tribal Court shall have the power to issue injunctions, to appoint a receiver or receivers pendente lite, with such powers and duties as the Tribal Court from time to time may direct, and to take such other proceedings as may be requisite to preserve the corporate assets wherever situated and carry on the business of the corporation until a full hearing can be had.
 2. In the event that a creditor or creditors petition the Tribal Court to appoint a liquidating receiver, such creditor or creditors shall pay such liquidating receiver's fees, which shall be set by the Tribal Court.
 3. After a hearing had upon such notice as the Tribe may direct to be given to all parties to the proceedings, and to any other parties in interest designated by the Tribal Court, the Tribal Court may appoint a liquidating receiver or receivers with authority to collect the assets of the corporation. Such liquidating receiver or receivers shall have authority, subject to the order of the Tribal Court, to sell, convey and dispose of all or any part of the assets of the corporation wherever situated, either at public or private sale. The assets of the corporation or the proceeds resulting from a sale, conveyance or other disposition thereof shall be applied to the expenses of such liquidation and to the payment of the liabilities and obligations of the corporation, and any remaining assets or proceeds shall be distributed according to Section 6.32.210(J) of this chapter. The order appointing such liquidating receiver or receivers shall state their powers and duties. Such powers and duties may be increased or diminished at any time during the proceedings.
 4. The Tribal Court shall have power to allow, from time to time, as the expenses of the liquidation compensation to the receiver or receivers and to attorneys in the proceeding, and to direct the payment thereof out of the assets of the corporation or the proceeds of any sale or disposition of such assets.
 5. A receiver of a corporation appointed under the provisions of this section shall have authority to sue and defend in all courts in his own name as receiver of such corporation. The Tribal Court appointing such receiver shall have exclusive jurisdiction of the corporation and its property, wherever situated.

Title 6 TRIBAL ENTERPRISES

6. A receiver of a corporation appointed under the provisions of this section shall, absent gross negligence or wilful misconduct, be held harmless for his or her official acts.
- B. Involuntary Dissolution—Receivers—Qualifications—Bond. A receiver shall in all cases be a natural person or a corporation authorized to act as a receiver, which corporation may be a domestic corporation or a foreign corporation authorized to transact business in Indian country, and every receiver shall give such bond as the Tribal Court may direct with such sureties as the Tribal Court may require.
- C. Filing of Claims in Liquidation Proceedings. In proceedings to liquidate assets and business of a corporation, the Tribe may require all creditors of the corporation to file with the clerk of the Tribal Court or with the receiver, in such form as the Tribal Court may prescribe, proofs under oath of their respective claims. If the Tribal Court requires the filing of claims it shall fix a date, which shall not be less than four months from the date of the order, as the last day for the filing of claims, and shall prescribe the notice that shall be given to creditors and claimants of the date so fixed. Prior to the date so fixed, the Tribal Court may extend the time for the filing of claims. Creditors and claimants falling to file proofs of claim on or before the date so fixed may be barred, by order of the Tribal Court, from participating in the distribution of the assets of the corporation.
- D. Discontinuance of Liquidation Proceedings. The liquidation of the assets and business of a corporation may be discontinued at any time during the liquidation proceedings when it is established that cause for liquidation no longer exists. In such event, the Tribal Court shall make such orders as it deems appropriate with respect to expenses and costs, in accordance with all tribal law, and shall dismiss the proceedings and direct the receiver to redeliver to the corporation all its remaining property and assets.
- E. Decree of Involuntary Dissolution. In proceedings to liquidate the assets and business of a corporation, when the costs and expenses of such proceedings and all debts, obligations and liabilities of the corporation shall have been paid and discharged and all of its remaining property and assets distributed to its shareholders, or in a case when its property and assets are not sufficient to satisfy and discharge such costs, expenses, debts and obligations and all the property and assets have been applied so far as they will go to their payment, the Tribal Court shall enter a decree dissolving the corporation, whereupon the existence of the corporation shall cease.
- F. Filing of Decree of Dissolution. When the Tribal Court has entered a decree dissolving a corporation, it shall be the duty of the clerk of the Tribal Court to cause a certified copy of the decree to be filed with the Business Administration Board. No fee shall be charged by the Business Administration Board for the filing thereof.
- G. Deposit with the Tribe of Amounts Due Certain Persons. Upon the voluntary or involuntary dissolution of a corporation, the portion of the assets distributable to a creditor or member who is unknown or cannot be found, or who is under disability and there is no person legally competent to receive such distributive portion, shall be reduced to cash and deposited with the Business Administration Board and shall, upon ex parte petition or such other proceeding as the Tribal Court deems proper, be paid over to such creditor or shareholder or to his legal representative upon proof reasonably satisfactory to the Business Administration Board of his or her right thereto.
- H. Survival or Remedy After Dissolution. The dissolution of a corporation:
1. By the issuance of a certificate of dissolution by the Business Administration Board;
 2. By a decree of the Tribe when the Tribal Court has not liquidated the assets and business of the corporation as provided in this chapter; or
 3. By expiration of its period of duration; shall not take away or impair any remedy available to or against such corporation, its directors, officers or members, for any right or claim existing or any liability incurred, prior to such dissolution if action or other proceeding thereon is commenced within two years after the date of such dissolution. Any such action or proceeding by or against the corporation may be prosecuted by or defended by the corporation in its corporate name. The members, directors and officers shall have power to take such corporate or other action as shall be appropriate to protect such remedy, right or claim. If such corporation was dissolved by

Title 6 TRIBAL ENTERPRISES

the expiration of its period of duration, such corporation may amend its articles of incorporation at any time during such period of two years so as to extend its period of duration and such amendment shall be deemed to relate back to such date of dissolution.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.230 Certificate of authority to transact business.

- A. Foreign/Domestic Corporations Must Have a Certificate of Authority. No foreign or domestic corporation shall transact business in Indian country unless it holds a certificate of authority, and no foreign company or corporation may purchase land in Indian country. This section shall not apply to enterprises wholly owned by the Tribe and doing business in Indian country on or before the effective date of this chapter.
- B. Application for Certificate of Authority. In order to procure a certificate of authority to transact business, a corporation shall make application to the Business Administration Board, which application shall set forth:
 - 1. The name of the corporation and, in the event that the applicant is a foreign corporation, the Indian Tribe, state or country under the laws of which it is organized;
 - 2. The date of its incorporation and the period of its duration;
 - 3. The address of its principal office;
 - 4. That it irrevocably consents to the service of process upon it in accordance with Squaxin Island tribal law;
 - 5. The name and respective addresses of its directors and officers;
 - 6. A statement that the officers executing the application have been duly authorized by the board of directors of the corporation.

Such application shall be made on forms prescribed and furnished by the Business Administration Board and shall be executed, acknowledged and verified by its president or vice president, and by its secretary or an assistant secretary, and delivered to the Business Administration Board with authenticated copies of its articles of incorporation.

- C. Issuance of Certificate of Authority. If the application be according to law, the Business Administration Board, when all fees and charges have been paid as required by law, shall file in its office the application and a copy of the articles of incorporation and shall issue and record a certificate of authority to transact business in Indian country upon the affirmative action of the Business Administration Board.
- D. Contents of Certificate of Authority. The certificate of authority shall contain the name of the corporation, the Indian Tribe or the state or country of organization, the period of duration of its corporate existence, the address of its registered office and a statement that it is authorized to transact business in Indian country.
- E. Effect of Certificate of Authority. After issuance of a certificate of authority and until cancellation or revocation thereof or issuance of a certificate of withdrawal, the corporation shall possess within Indian country the same rights and privileges that any corporation would possess if organized for the purpose set forth in the articles of incorporation of such corporation pursuant to which its certificate of authority is issued, and shall be subject to the laws of the Tribe.
- F. Registered Office on Trust Land. Each foreign corporation authorized to transact business in Indian country shall have and continuously maintain a registered office in Indian country.
- G. Application for Withdrawal—Filing.
 - 1. If a foreign or domestic corporation holding a certificate of authority desires to withdraw, it shall file with the Business Administration Board an application for withdrawal.

Title 6 TRIBAL ENTERPRISES

2. The application for withdrawal shall set forth:
 - a. The name of the corporation and the Indian Tribe, state and/or country under the laws of which it is organized;
 - b. That it has no property located in Indian country and has ceased to transact business therein;
 - c. That its board of directors has duly determined to surrender its authority to transact business on said territories;
 - d. That it revokes the authority of its registered agent in the Tribe to accept service of process;
 - e. The address to which the Business Administration Board shall mail a copy of any process against the corporation that may be served upon it;
 - f. That it will pay to the Business Administration Board the amount of any additional license, fee or tax properly found by the Business Administration Board to be then due from such corporation;
 - g. Such additional information as may be required or demanded by the Business Administration Board to enable it to determine the additional fee, if any, payable by such corporation.
3. The application for withdrawal shall be executed, acknowledged and verified on behalf of the corporation by its president or a vice president, and by its secretary or an assistant secretary, or, if the corporation is in the hands of a receiver or trustee, by such receiver or trustee.
4. Such application for withdrawal shall be delivered to the Business Administration Board. If, upon receipt thereof, it conforms to the provisions of this chapter, it shall be, when all license fees, filing fees and other charges have been paid as required by law, filed in the office of the Business Administration Board, and the Business Administration Board shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate to the Secretary of State of the state in which the registered office of the corporation is situated. Upon issuance of such certificate by the Business Administration Board, the authority of the corporation to transact business in Indian country shall cease.

H. License Revocation.

1. The certificate of authority of a foreign or domestic corporation to transact business in Indian country shall be revoked by the Business Administration Board if the corporation fails to:
 - a. Pay any fee due under the provisions of this chapter or any other provision of tribal law;
 - b. Designate a registered agent when a vacancy occurs in that office, or when the appointed registered agent becomes disqualified or incapacitated;
 - c. File an annual report.
2. When the Business Administration Board shall find that any such default has occurred, it shall give notice by certified mail to such corporation, at its registered office, that such default exists and that its certificate of authority will be revoked unless such default be cured within thirty (30) days after the mailing of such notice.
3. The Business Administration Board shall revoke the certificate of authority of such corporation to do business on territories within the jurisdiction of the Tribe if such default shall not be cured within such period of thirty (30) days, provided that for good cause shown the Business Administration Board may enlarge the period from time to time, but the aggregate of such enlargement shall not exceed ninety (90) days.
4. Upon revoking such certificate of authority, the Business Administration Board shall:
 - a. Issue a certificate of revocation, in duplicate;

Title 6 TRIBAL ENTERPRISES

- b. Mail to such corporation, at its principal office in the state or country under the laws of which it is organized, a notice of such revocation, accompanied by one such certificate, and mail to such corporation, at its registered office in Indian country, a notice of such revocation.
 5. Upon the issuance of a certificate of revocation, the authority of the corporation to transact business in Indian country shall cease.
- I. Cancellation of Certificate of Authority.
1. When the public interest may require, the Tribal Council may direct that an action be brought against a foreign corporation to cancel its certificate of authority to transact business in Indian country upon any of the following grounds:
 - a. The certificate of authority was procured through fraud;
 - b. The certificate of authority should not have been issued to the corporation under this chapter;
 - c. The certificate of authority was procured without a substantial compliance with the conditions prescribed by this chapter or precedent or essential to its issuance;
 - d. The corporation has offended against any provisions of the tribal law regulating corporations, or has abused or usurped corporation privileges or power;
 - e. The corporation is knowingly and persistently violating any provision of tribal law;
 - f. The corporation has done or omitted any action which amounts to a surrender of its certificate of authority.
 2. If the ground for the action is an act which the corporation has done or omitted to do, and it appears probable that correction can be made, then such action shall not be instituted unless the Tribal Council shall give notice to such corporation by certified mail at its registered office on territories under the jurisdiction of the Tribe that such default or violation exists and that an action to cancel its certificate of authority will begin unless such default shall be cured or such violation discontinued within fifteen (15) days.
 3. The Tribal Council shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the Business Administration Board. The Business Administration Board shall file one copy in its office and shall mail the other copy to the corporation, at its principal office in the state or county under the laws of which it is organized, and mail to the corporation at its registered office in Indian country a notice of such cancellation.
 4. Any foreign corporation whose certificate of authority to do business in Indian country has been revoked or cancelled may file with the Business Administration Board an application for reinstatement. Such application shall be on forms prescribed by the Business Administration Board, shall contain all the matters required to be set forth in an original application for a certificate of authority, and such other pertinent information as may be required by the Business Administration Board.
 5. If the certificate of authority was revoked by the Business Administration Board pursuant to subsection H of this section, the corporation shall pay to the Business Administration Board one hundred dollars (\$100.00) before it may be reinstated. If the certificate of authority was cancelled by a judgment pursuant to this subsection, the corporation shall pay the Business Administration Board two hundred dollars (\$200.00) before it may be reinstated.
 6. Upon filing of such application and upon payment of all penalties, fees and charges required by law, not including, however, an initial license fee or additional license fees to the extent that the same have theretofore been paid by such corporation, the Business Administration Board shall issue and record a certificate of reinstatement and shall transmit such certificate to the corporation at its registered office in Indian country.
- J. Certificate Issued by the Business Administration Board.

Title 6 TRIBAL ENTERPRISES

1. Any certificate issued by the Business Administration Board pursuant to the provisions of this chapter, and true copies of such certificate, shall be prima facie evidence of the matter stated therein.
2. A certificate issued by the Business Administration Board to the effect that a foreign corporation is not authorized to transact business in Indian country shall be prima facie evidence of the facts therein stated.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.240 Fees.

A. Incorporation Fees—License Fees—Duration.

1. Upon submission of articles of incorporation, a corporation shall pay to the Business Administration Board the sum of twenty-five dollars (\$25.00) which shall be refundable only upon rejection of the articles of incorporation by the Business Administration Board.
2. At the time of making application for a certificate of authority, the foreign or domestic corporation making such application shall pay to the Business Administration Board the sum of fifty dollars (\$50.00) as an initial license fee. Prior to the issuance of a certificate of authority, each foreign or domestic corporation shall pay to the Business Administration Board the sum of two hundred dollars (\$200.00) as a license fee. Each certificate of authority shall be valid for one year from the date of issuance.
3. Upon submitting an instrument extending or renewing corporate existence, a corporation shall pay to the Business Administration Board the sum of fifty dollars (\$50.00).
4. All fees shall be nonrefundable unless otherwise provided herein.

B. Service of Process Fees. When any foreign or domestic corporation incorporated under or authorized to transact business in Indian country fails to appoint or maintain a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office, as shown by the return of the service of process, or whenever any corporation withdraws from Indian country or whenever the certificate of authority of any foreign or domestic corporation is revoked or cancelled, service may be made by delivering to and leaving with the Commissioner of Business Affairs or his or her designee three copies thereof and a fee of twenty-five dollars (\$25.00), provided that, after a foreign or domestic corporation withdraws from Indian country, pursuant to Section 6.32.230 of this chapter, service upon the corporation may be pursuant to the provision of this section only when based upon the liability or obligation of the corporation incurred within Indian country by the corporation prior to the issuance of a certificate of withdrawal.

C. Service of Process Fees for Foreign Corporations. If a foreign corporation makes a contract with a resident of Indian country to be performed in whole or in part by either party in Indian country or if a foreign or domestic corporation commits a tort in whole or in part in Indian country against a resident of Indian country, such acts shall be deemed to be doing business on territories under the jurisdiction of the Tribe by the foreign corporation and shall be deemed equivalent to the appointment by the foreign or domestic corporation of the Commission of Business Affairs and his successors to be its true and lawful attorney upon whom it may be served all lawful process in any action or proceedings against the foreign or domestic corporation arising from or growing out of contract or tort. Process shall be served in duplicate upon the Commissioner of Business Affairs, together with a fee of twenty-five dollars (\$25.00), and the Commissioner of Business Affairs shall mail one copy thereof to the corporation at its last known address and the corporation shall have ten (10) days within which to answer from the date of mailing, notwithstanding any other provision of law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign or domestic corporation that any process against it which is so served upon the Commissioner of Business Affairs of the Tribe shall be of the same legal force and effect as if served personally on it within Indian country.

Title 6 TRIBAL ENTERPRISES

- D. Forfeitures. A corporation or business shall forfeit to the Tribe fifty dollars (\$50.00) for each day it neglects to keep any or all of the books or records as required by the Business Administration Board.
- E. Partial Waiver of Fees. Any member of the Tribe who seeks to engage in any commercial activity in Indian country, pursuant to this chapter, shall be eligible for a waiver of imposed fees of fifty (50) percent upon a showing of proof of enrollment.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.250 Foreign corporations.

- A. Certificate of Authority. No foreign corporation shall transact business in Indian country unless it obtains a Certificate of Authority pursuant to this chapter.
- B. Foreign Corporation—Articles of Incorporation—Amendment. Whenever the articles of incorporation of a foreign corporation authorized to conduct affairs in Indian country are amended, such foreign corporation shall, within thirty (30) days after such amendment becomes effective, file in the office of the Tribe, state or country under the laws of which it is incorporated, but the filing thereof shall not of itself enlarge or alter the purpose or purposes which such corporation is authorized to pursue in conducting its affairs in Indian country, nor authorize such corporation to conduct affairs in Indian country under any other name than the name set forth in its certificate of authority.
- C. Foreign Corporation—Merger. Whenever a foreign corporation authorized to conduct affairs in Indian country shall be a party to a statutory merger permitted by the laws of the Tribe, state or country under the laws of which it is incorporated, and such corporation shall be the surviving corporation, it shall, within thirty (30) days after such merger becomes effective, file with the Business Administration Board a copy of the articles of merger duly authenticated by the proper officer of the Tribe, state or country under the laws of which such statutory merger was effected, and it shall not be necessary for such corporation to procure either a new or amended certificate of authority to conduct affairs in Indian country unless the name of such corporation be changed thereby or unless the corporation desires to pursue in Indian country other or additional purposes than those which it is then authorized to pursue in Indian country.
- D. Foreign Corporation—Amended Certificate of Authority—Form.
 - 1. A foreign corporation authorized to conduct affairs in Indian country shall procure an amended certificate of authority in the event it changes its corporate name, or desires to pursue in Indian country other or additional purposes than those set forth in its prior application for a certificate of authority, by making application therefore to the Business Administration Board.
 - 2. The requirements in respect to the form and contents of such application, the manner of its execution, the filing of duplicate originals thereof with the Business Administration Board, the issuance of an amended certificate of authority and the effect thereof shall be the same as in the case of an original application for a certificate of authority.
- E. Foreign Corporation—Conducting Affairs Without Certificate of Authority.
 - 1. No foreign corporation which is conducting affairs in Indian country without a certificate of authority shall be permitted to maintain any action, suit or proceeding in the Tribal Court until such corporation shall have obtained a certificate of authority, nor shall any action, suit or proceeding be maintained in the Tribal Court by any successor or assignee of such corporation on any right, claim or demand arising out of the conduct of affairs by such corporation or by a corporation which has acquired all or substantially all of its assets.
 - 2. The failure of a foreign corporation to obtain a certificate of authority to conduct affairs in Indian country shall not impair the validity of any contract or act of such corporation and shall not prevent such corporation from defending any action, suit or proceeding in the Tribal Court.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.260 Reports.

A. Biennial Report—Contents.

1. Each domestic not-for-profit corporation, and each foreign not-for-profit corporation authorized to conduct affairs in Indian country, shall file, within the time prescribed by this section, a biennial report setting forth:
 - a. The exact name of the corporation;
 - b. The location of the registered office of the corporation in Indian country;
 - c. A brief statement of the character of the affairs which the corporation is actually conducting or, in the case of a foreign corporation, which the corporation is actually conducting in Indian country; and
 - d. The names and respective street addresses of the directors and officers of the corporation.
2. Such biennial report shall be made on forms prescribed and furnished by the Business Administration Board, and the information therein shall be given as of the first day of January of each year. It shall be signed by either the president, a vice president, a secretary or a treasurer of the corporation, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation by such receiver or trustee.

B. Biennial Report—Filing—Fees.

1. The biennial report, commencing in 2001 and in each odd-numbered year thereafter, of a domestic or foreign not-for-profit corporation shall be delivered to the Business Administration Board on or before June 1st, except that the first biennial report of a domestic or foreign not-for-profit corporation shall be filed on or before June 1st of the odd-numbered year next succeeding the calendar year in which it was incorporated or its certificate of authority was issued by the Business Administration Board. Proof to the satisfaction of the Business Administration Board that on or before June 1st such report and fee were deposited into the United States mail in a sealed envelope, properly addressed, with postage prepaid, shall be deemed a compliance with this requirement. If the Business Administration Board finds that such report and biennial fee conform to the requirements of this chapter, it shall file the same. If the Business Administration Board finds that they do not so conform, it shall promptly return the same to the corporation for any necessary corrections.
2. Concurrent with the filing of the biennial report as provided in this section, the domestic or foreign not-for-profit corporation shall pay to the Business Administration Board a fee of twenty dollars (\$20.00). If a corporation required to file a report and pay the fee prescribed fails or neglects to make such report as required or to pay such fee before the same on or before the due date, such corporation shall be subject to a penalty of two dollars (\$2.00) for each year for which the biennial fee was required to be paid by the corporation.

C. Failure to Approve Filings—Revocation of Certificate of Authority—Appeal.

1. If the Business Administration Board fails to approve any articles of incorporation, amendment, merger, consolidation or dissolution or any other documents required by this chapter to be approved by the Business Administration Board before the same shall be filed in its office, it shall, within twenty (20) days after the delivery thereof to it, give written notice of its disapproval to the person or corporation, domestic or foreign, delivering the same, specifying the reasons therefor. From such disapproval, such person or corporation may appeal to the Tribal Court.
2. If the Business Administration Board revokes the certificate of authority to conduct affairs in Indian country of any foreign corporation pursuant to this chapter, such foreign corporation may likewise appeal, and the appeal shall be to the Tribal Court.

D. Failure to Pay Fee or File Biennial Reports.

Title 6 TRIBAL ENTERPRISES

1. The Business Administration Board shall cause to be mailed by first-class mail to the last-named registered agent at the last-known street address of each domestic and foreign not-for-profit corporation subject to this section, a notice stating that the biennial fees of twenty dollars (\$20.00) are to be paid on or before June 1st of the same year and that a properly executed and signed report is to be filed on or before June 1st of the same year; that if biennial fees are not paid and/or the biennial report is not filed on or before June 1st of the same year, that on June 2nd of the same year, delinquent corporations shall be automatically dissolved for nonpayment of biennial fees and/or failure to file the report; and that the Business Administration Board shall dissolve the corporation and make such entry and showing upon the records in its office.
2. Upon the dissolution for nonpayment of the biennial fee and/or for failure to file a properly executed and signed report, the Business Administration Board shall send a list to each Secretary of State wherein a foreign corporation is incorporated.

(Res. 07-16 (part); Res. 04-05 (part); Res. 00-17 (part))

6.32.270 Miscellaneous.

A. Notices—Publication—Contents.

1. Notice of incorporation, amendment, merger, consolidation or voluntary dissolution of all corporations subject to this chapter shall be published once each week for three consecutive weeks in some legal newspaper of general circulation near the registered office of the corporation. Notice of incorporation shall show:
 - a. The name of the corporation;
 - b. The address of the registered office;
 - c. The purpose or purposes for which the corporation is organized;
 - d. The time of the commencement and termination of the corporation and, if the corporation is to have perpetual existence, such fact must be stated; and
 - e. By what officers the affairs of the corporation are to be conducted.
2. A brief synopsis of any amendment, merger, or consolidation of the said corporation shall be published in the same manner and for the same period of time as notice of incorporation is required to be published.
3. Whenever any corporation subject to this chapter is voluntarily dissolved, notice of the dissolution thereof and the terms and conditions of such dissolution and the names and addresses of the persons who are to manage the corporate affairs and distribute its assets and their official title, with a statement of assets and liabilities of the corporation, shall be published once each week for three consecutive weeks in some legal newspaper of general circulation within the county in which the registered office of the corporation is located.
4. Proof of publication of any of the foregoing required notices shall be filed in the office of the Business Administration Board and in the office of the Secretary of State of the state where the registered office of the corporation is located.
5. In the event any notice required to be given pursuant to this section is not given, but is substantially published for the required time, and proof of publication thereof is filed in the office of the Business Administration Board and in the office of the Secretary of State of the state where the registered office of the corporation is located, the acts of such corporation prior to, as well as after, such publication shall be valid.

- B. Certificate Issued by Business Administration Board—Certified Copies—Received in Evidence.** All certificates issued by the Business Administration Board in accordance with the provisions of this chapter, and all copies of documents filed in its office in accordance with the provisions of this chapter when certified by it, shall be taken and received in all courts, public offices and official bodies

as prima facie evidence of the facts therein stated. A certificate by the Business Administration Board, as to the existence or nonexistence of the facts relating to corporations which would not appear from a certified copy of any of the foregoing documents or certificates, shall be taken and received in the Tribal Courts, public offices and official bodies as prima facie evidence of the existence or nonexistence of the facts therein stated.

- C. Reports—Business Administration Board—Forms—Prescribe—Furnish. All reports required by the provisions of this chapter to be filed in the office of the Business Administration Board shall be made on forms which shall be prescribed and furnished by the Business Administration Board. Forms for all other documents to be filed in the office of the Business Administration Board shall be furnished by the Business Administration Board on request therefor, but the use thereof, unless otherwise specifically prescribed in this chapter, shall not be mandatory.
- D. Articles of Incorporation—Greater Voting Rights—Control. Whenever, with respect to any action to be taken by the members or directors of a corporation, the articles of incorporation require the vote or concurrence of a greater proportion of the members or directors, as the case may be, than required by the provisions of this chapter with respect to such action, the provisions of the articles of incorporation shall control.
- E. Waiver of Notice. Whenever any notice is required to be given to any member or director of a corporation under the provisions of this chapter or under the provisions of the articles of incorporation or bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
- F. Action by Members or Directors Without a Meeting. Any action required by the provisions of this chapter to be taken at a meeting of the members or directors of a corporation, or any action which may be taken at a meeting of the members or directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, or all of the directors, as the case may be. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any article or document filed with the Business Administration Board under this chapter.

(Res. 07-16 (part); Res. 00-17 (part))

6.32.280 Severability.

If any clause, sentence, paragraph, section or part of this chapter shall be found by the Tribe or a court of competent jurisdiction to be invalid or unconstitutional, such judgment or decree shall not affect, impair, invalidate or nullify the remainder of this chapter, but the effect thereof shall be confined to the clause, sentence, paragraph, section or part of this chapter as adjudged or decreed to be invalid or unconstitutional.

(Res. 00-17 (part))

6.32.290 Effective date.

This ordinance shall be in full force and effect according to its terms from and after March 9, 2000.

(Res. 00-17 (part))

Chapter 6.34 LIMITED LIABILITY COMPANY ORDINANCE

Sections:

[6.34.010 Title.](#)

[6.34.020 Authority.](#)

[6.34.030 Definitions.](#)

Title 6 TRIBAL ENTERPRISES

- [6.34.040 Purposes.](#)
- [6.34.050 LLC name.](#)
- [6.34.060 Registered office and registered agent.](#)
- [6.34.070 Service of process on LLC.](#)
- [6.34.080 Nature of business.](#)
- [6.34.090 Special powers and privileges of LLCs wholly owned by the Squaxin Island Tribe or its enterprises.](#)
- [6.34.100 Articles of organization—Amendment—Restatement.](#)
- [6.34.110 Agency power of members and managers.](#)
- [6.34.120 Admissions of members and managers.](#)
- [6.34.130 Knowledge of or notice to member or manager.](#)
- [6.34.140 Liability of members to third parties.](#)
- [6.34.150 Parties to action.](#)
- [6.34.160 Authority to sue.](#)
- [6.34.170 Management.](#)
- [6.34.180 Duties.](#)
- [6.34.190 Limitation of liability and indemnification.](#)
- [6.34.200 Voting.](#)
- [6.34.210 Records and information.](#)
- [6.34.220 Admission of members.](#)
- [6.34.230 Dissociation.](#)
- [6.34.240 Contributions.](#)
- [6.34.250 Liability for contribution.](#)
- [6.34.260 Allocation of profits and losses.](#)
- [6.34.270 Non-liquidating distributions.](#)
- [6.34.280 Limitations of distributions.](#)
- [6.34.290 Liability for wrongful distribution.](#)
- [6.34.300 LLC property—Ownership—Transfer—Nature of interest.](#)
- [6.34.310 Assignment of interest.](#)
- [6.34.320 Rights of judgment creditor.](#)
- [6.34.330 Right of assignee to become a member.](#)
- [6.34.340 Powers of legal representative.](#)
- [6.34.350 Dissolution.](#)
- [6.34.360 Winding up.](#)
- [6.34.370 Procedure in liquidation of LLC by the Tribe.](#)
- [6.34.380 Distribution of assets.](#)
- [6.34.390 Claims against dissolved LLC.](#)

[6.34.400 Merger.](#)

[6.34.410 Articles of merger.](#)

[6.34.420 Effects of merger.](#)

[6.34.430 Right to object.](#)

[6.34.440 Certificate of authority to transact business.](#)

[6.34.450 Fees.](#)

[6.34.460 LLC contracts.](#)

[6.34.470 Severability.](#)

[6.34.480 Effective date.](#)

[6.34.490 Articles of organization for an LLC where the Tribe and/or its wholly owned enterprise\(s\) is the sole member.](#)

[6.34.500 Articles of operation for an LLC where the Tribe and/or its wholly owned enterprise\(s\) is the sole member.](#)

6.34.010 Title.

This chapter shall be known as the "Squaxin Island Limited Liability Company Ordinance."

(Res. 07-16 (part))

6.34.020 Authority.

The Tribal Council of the Squaxin Island Tribe has the inherent sovereign and constitutional power to control and manage the economic affairs of the Tribe and to establish and operate such commercial enterprises as it may deem proper and to regulate those who transact business for the purpose of conducting commerce under regulations promulgated herein on territories under the jurisdiction of the Squaxin Island Tribe. It is declared that the conduct of commerce on said territories is vital to the economic security, political integrity and general health and welfare of the Tribe and its members. Therefore, to protect these interests of the Tribe, the Tribal Council adopts this limited liability company ordinance.

(Res. 07-16 (part))

6.34.030 Definitions.

For the purposes of this chapter, unless the context requires otherwise:

"Articles of operation" means an agreement in writing among all of the members as to the conduct of the business of a limited liability company and its relationships with its members.

"Articles of organization" means the articles filed under Section 6.34.100 and those articles as amended or restated.

"Board" means the Business Administration Board.

"Business Administration Board" has the meaning set forth in Chapter 6.24. "Certificate of authority" means a certificate of authority, issued by the Business Administration Board, for a foreign or domestic limited liability company to transact business in territories under the jurisdiction of the Tribe.

Title 6 TRIBAL ENTERPRISES

"Corporation" means a corporation, for-profit or not-for-profit, except a foreign corporation, subject to the provisions of Chapter 6.28 or 6.32.

"Court" means the Squaxin Island Tribal Court.

"Distribution" means a direct or indirect transfer by a limited liability company of money or other property to or for the benefit of its members in respect of their interests.

"Entity" includes an individual, a Tribe, a foreign or domestic general partnership, limited partnership, limited liability company, trust, estate, association, corporation, or any other legal or commercial entity.

"Foreign" refers to entities organized under the laws of a jurisdiction other than the Squaxin Island Tribe.

"Foreign corporation" means a corporation, for-profit or not-for-profit, organized under laws other than the laws of the Squaxin Island Tribe.

"Foreign limited liability company" means an LLC organized under laws other than the laws of the Squaxin Island Tribe.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151, means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal Member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Limited liability company" or "domestic limited liability company" means an organization formed under this chapter, except as provided for in Section 6.34.400(A).

"Limited liability company interest" or "interest in the limited liability company" or "member's interest" means a member's rights in the limited liability company, including rights to distributions, profits and losses, and to participate in management, as specified in the articles of operation.

"LLC" means a limited liability company.

"Majority in interest" means members contributing more than fifty (50) percent of the value of total capital contributions to the limited liability company excluding any interest which is not to be counted as voting on a matter as described elsewhere in this chapter.

"Manager" or "managers" means the entity or entities designated to manage the company; this is not necessarily determined by percentage of ownership in the company.

"Member" means a person who has been admitted to membership in a limited liability company and who has not dissociated from the limited liability company.

"Net assets" means the amount by which the total assets of an LLC exceed the total debts of the LLC.

"Organizer(s)" means the entity(ies) which signs and delivers the articles of organization for filing to the Tribe's Business Administration Board.

"Reservation" means the territory within the exterior boundaries of the Squaxin Island Indian Reservation, and such other lands without those boundaries as may have been or may hereafter be added to the reservation or held in trust for the Tribe under any law of the United States or otherwise.

"Tribal Council" means the Tribal Council of the Squaxin Island Tribe as defined pursuant to the constitution and bylaws of the Tribe.

"Tribal Court" means the Squaxin Island Tribal Court, including its civil, criminal and employment divisions and the Squaxin Island Tribal Appellate Court.

"Tribe" means the Squaxin Island Tribe.

(Res. 07-16 (part))

6.34.040 Purposes.

Limited liability companies may be organized under this chapter for any lawful purpose or purposes, and domestic and foreign LLCs may be issued a certificate of authority to do business in Indian country. Unless otherwise provided in its articles of organization, an LLC has general business purposes.

(Res. 07-16 (part))

6.34.050 LLC name.

The name of an LLC as set forth in its articles of organization:

- A. Shall contain the words "limited liability company" or end with the abbreviation "L.L.C." or "LLC";
- B. Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in the articles of organization;
- C. Shall not be the same as, or deceptively similar to, the name of any corporation or LLC existing under the laws of the Tribe or the state of Washington, or a name the exclusive right to which is, at the time, reserved in the manner provided in this chapter, or the name of a corporation or LLC which has in effect a registration of its name as provided in this chapter or the laws of the state of Washington.

(Res. 07-16 (part))

6.34.060 Registered office and registered agent.

Each LLC organized pursuant to this chapter shall have and continuously maintain in Indian country a registered agent and a registered office which may be, but need not be, the same as its place of business. An LLC wholly owned by the Tribe may have as its registered agent and registered office the Squaxin Island Legal Department, wherever that department's office may be located, whether within or outside of Indian country.

(Res. 07-16 (part))

6.34.070 Service of process on LLC.

Any member of an LLC or the registered agent so appointed by an LLC shall be an agent of such LLC upon whom any process notice or demand required or permitted by law to be served upon the LLC may be served.

(Res. 07-16 (part))

6.34.080 Nature of business.

An LLC may be organized under this chapter for any lawful purpose. Subject to any limitations provided in any other laws of the Tribe, or in an LLC's articles of organization or articles of operation, each LLC shall have power:

- A. To have perpetual succession unless a limited period of duration is stated in its articles of organization;
- B. To sue and be sued, complain, and defend in its name; provided, that if an LLC is wholly owned by the Tribe, it shall be entitled to and shall enjoy the Tribe's sovereign immunity from suit unless the articles of organization otherwise provide;

Title 6 TRIBAL ENTERPRISES

- C. To purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated;
- D. To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets including, but not limited to, shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships or individuals;
- E. To lend money and use its credit to assist its employees;
- F. To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, LLCs, associations, partnerships or individuals, or direct or indirect obligations of the United States or of any other government, state, territory, governmental district or municipality or of any instrumentality thereof;
- G. To make contracts and guarantees and incur liabilities, borrow money at such rates of interest as the LLC may determine, issue its notes, bonds and other obligations by mortgage or pledge of all or any of its property, franchises and income;
- H. To lend money for its LLC purposes, invest and reinvest its funds and take and hold real and personal property as security for the payment of funds so loaned or invested;
- I. To conduct its business, carry on its operations and have offices and exercise the powers granted by this chapter, within or without Indian country;
- J. To elect or appoint managers of the LLC, and define their duties and fix their compensation;
- K. To make and alter articles of operation, not inconsistent with its articles of organization or with the laws of the Tribe for the administration and regulation of the affairs of the LLC;
- L. To make donations for the public welfare or for charitable, scientific or educational purposes;
- M. To transact any lawful business which the members shall find will be in aid of governmental policy;
- N. To pay pensions and establish pension plans, pension trusts, profit sharing plans, stock bonus plans, stock option plans and other incentive plans for any or all of its directors, managers and employees;
- O. To be a promoter, partner, member, associate or manager of any LLC, partnership, joint venture, trust or other enterprise;
- P. To establish committees, elect or appoint persons to the committees and define their duties and fix their compensation;
- Q. To have and exercise all powers necessary or convenient to effect its purposes.

(Res. 07-16 (part))

6.34.090 Special powers and privileges of LLCs wholly owned by the Squaxin Island Tribe or its enterprises.

The Squaxin Island Tribe may, from time to time, organize LLCs to carry out governmental functions on its behalf, including but not limited to generating revenues to meet governmental needs and purposes. The special powers described in this section shall only be available to an LLC wholly owned by the Tribe and/or any of its wholly owned incorporated or unincorporated enterprises. Such wholly owned LLCs:

- A. Shall have any and all of the Tribe's rights, privileges and immunities including, without limitation, sovereign immunity concerning federal and state taxes and regulatory jurisdiction to the same extent that the Tribe would have such rights, privileges and immunities if it engaged in the activities undertaken by the LLC;

Title 6 TRIBAL ENTERPRISES

- B. Shall have the power to sue and is authorized to consent to be sued in the Tribal Court, and other courts of competent jurisdiction; provided, however, that any recovery against such LLC for any such consent shall be limited to the assets of the LLC, and that, to be effective, such LLC must explicitly consent to be sued in a contract or other commercial document which specifies the terms and conditions of such consent; provided further that consent to suit by an LLC shall in no way extend to the Tribe or any of its other wholly owned enterprises, nor shall a consent to suit by an LLC in any way be deemed a waiver of any of the rights, privileges or immunities of the Tribe or of any of its other wholly owned enterprises.

(Res. 07-16 (part))

6.34.100 Articles of organization—Amendment—Restatement.

- A. One or more persons may organize an LLC by signing and delivering duplicate original articles of organization to the Business Administration Board for filing. The organizer(s) need not be members of the LLC at the time of organization or thereafter.
- B. An LLC shall have one or more members.
- C. The articles of organization shall contain all of and only the following information:
 - 1. A statement that the LLC is organized under this chapter;
 - 2. A name for the LLC that satisfies the provisions of this chapter;
 - 3. The street address of the registered office and the name of the registered agent at that office;
 - 4. If management of the LLC is vested in one or more managers, a statement to that effect;
 - 5. The name and address of each person organizing the LLC;
 - 6. Whether the LLC is wholly owned by the Tribe and/or its wholly owned enterprise(s); and
 - 7. If wholly owned by the Tribe and/or its wholly owned enterprise(s), whether the LLC is to enjoy the Tribe's sovereign immunity and the scope of any waiver of that immunity.
- D. Filing of Articles of Organization. Duplicate originals of the articles of organization shall be delivered to the Business Administration Board along with all applicable fees. If the board finds that the articles of organization conform to tribal law and all applicable fees have been paid, it shall:
 - 1. Endorse on each duplicate original the word "filed" and the month, day and year of the filing thereof;
 - 2. Maintain one such duplicate original in the office of the board;
 - 3. Issue a certificate of organization to which the board shall affix the other duplicate original and return to the organizers.
- E. Effect of Issuance of Certificate of Organization. Upon the issuance of the certificate of organization, the LLC existence shall begin.
- F. Amendment and Restatement of the Articles of Organization.
 - 1. Right to Amend or Restate Articles of Organization. An LLC may amend or restate its articles of organization.
 - 2. Articles of Amendment or Restatement. The articles of amendment or restatement shall be executed by: (a) the LLC's manager(s) or, (b) by a person so authorized by the LLC.
 - 3. Filing Articles of Amendment or Restatement. Duplicate originals of the articles of amendment or restatement shall be delivered to the Business Administration Board along with all applicable fees. If the board determines that the articles of amendment or restatement conform to tribal law and all applicable fees have been paid, the board shall:

Title 6 TRIBAL ENTERPRISES

- a. Endorse on each duplicate original the word "filed" and the month, day and year of such filing thereof;
 - b. Maintain one such duplicate original in the board's office;
 - c. Issue a certificate of amendment to which the board shall affix the other duplicate original and return to the LLC.
4. Effect of Certificate of Amendment. Upon the issuance of the certificate of amendment by the board, the amendment shall become effective and the articles of organization shall be deemed to be amended accordingly.

(Res. 07-16 (part))

6.34.110 Agency power of members and managers.

- A. Except as provided in subsection B of this section:
1. Each member is an agent of the LLC, but not of the other members or any of them, for the purpose of its business.
 2. The act of any member, including the execution in the name of the LLC of any instrument for apparently carrying on in the ordinary course of business of the LLC, binds the LLC in the particular matter, unless the person with whom the member is dealing has reason to know that the member has no authority to act in this matter.
 3. If the Tribe is a member, the Tribe's authority shall be exercised only by a duly adopted resolution of the Tribal Council.
 4. If a wholly owned enterprise of the Tribe is a member, the enterprise's authority shall be exercised only by a duly adopted resolution of the enterprise's governing board.
- B. If management of the LLC is vested in one or more managers:
1. No member, solely by being a member, is an agent of the LLC or of the other members or any of them.
 2. Each manager is an agent of the LLC, but not of the members or any of them, for the purpose of its business. The act of any manager, including the execution in the name of the LLC of any instrument for apparently carrying on the ordinary course of business of the LLC, binds the LLC unless the manager has, in fact, no authority to act for the LLC in the particular matter, and the person with whom the manager is dealing has reason to know that the manager has no authority to act in the matter.
- C. No act of a member or, if management of the LLC is vested in one or more managers, of a manager that is not apparently for the carrying on in the ordinary course of business of the LLC shall bind the LLC unless in fact authorized at the transaction or at any other time.

(Res. 07-16 (part))

6.34.120 Admissions of members and managers.

- A. Except as provided in subsection B of this section, an admission or representation made by any member concerning the business of an LLC within the scope of the member's actual authority as provided in Section 6.34.110 may be used as evidence against the LLC in any legal proceeding.
- B. If management of the LLC is vested in one or more managers:
1. An admission or representation made by a manager concerning the business of an LLC within the scope of the manager's authority as provided under Section 6.34.110 may be used as evidence against the LLC in any legal proceeding.

2. The admission or representation of any member, acting solely in the member's capacity as a member, is not evidence against the LLC in any legal proceeding.

(Res. 07-16 (part))

6.34.130 Knowledge of or notice to member or manager.

- A. Except as provided in subsection B of this section, notice to any member of any matter relating to the business of an LLC, and the knowledge of a member acting in the particular matter, acquired while a member or known by the person at the time of becoming a member, and the knowledge of any member who reasonably could and should have communicated it to the acting member, operate as notice to or knowledge of the LLC.
- B. If management of the LLC is vested in one or more managers:
 1. Notice to any manager of any matter relating to the business of the LLC, and the knowledge of the manager acting in the particular matter acquired while a manager or known by the person at the time of becoming a manager, and the knowledge of any other manager who reasonably could and should have communicated it to the acting manager, operate as notice to or knowledge of the LLC.
 2. Notice to or knowledge of any member while the member is acting solely in the capacity of a member is not notice to or knowledge of the LLC.

(Res. 07-16 (part))

6.34.140 Liability of members to third parties.

- A. The debts, obligations, and liabilities of an LLC, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the LLC. Except as otherwise specifically provided in this chapter, a member or manager of an LLC is not personally liable for any debt, obligation, or liability of an LLC.

(Res. 07-16 (part))

6.34.150 Parties to action.

A member of an LLC is not a proper party to a proceeding by or against an LLC solely by reason of being a member of the LLC, except if any of the following exist:

- A. The object of the proceeding is to enforce a member's right against or liability to the LLC; or
- B. The action is brought by a member under Section 6.34.160.

(Res. 07-16 (part))

6.34.160 Authority to sue.

Unless otherwise provided in articles of operation, an action on behalf of an LLC may be brought in the name of the LLC by:

- A. One or more members of the LLC, if authorized by a majority in interest of members, excluding the vote of any member who has an interest in the outcome of the action that is adverse to the interest of the LLC;
- B. One or more managers of an LLC if the management of the LLC is vested in one or more managers, or if the managers are authorized to sue by a majority in interest of members.

(Res. 07-16 (part))

6.34.170 Management.

- A. Unless the articles of organization vest management in one or more managers, management of the LLC shall be vested in the members subject to any provision in articles of operation or this chapter restricting or enlarging the management rights and duties of any member or group of members.
- B. If the articles of organization vest management in one or more managers, management of the business or affairs of the LLC shall be invested in the manager or managers subject to any provisions in articles of operation or this chapter restricting or enlarging the management rights and duties of any manager or group of managers. Unless otherwise provided in articles of operation, the manager or managers:
 - 1. Shall be designated, appointed, elected, removed, or replaced by a vote of a majority in interest of the members;
 - 2. Need not be members of the LLC nor individuals;
 - 3. Unless earlier removed or earlier resigned, shall hold office until a successor is elected and qualified.

(Res. 07-16 (part))

6.34.180 Duties.

Unless otherwise provided in articles of operation:

- A. No member or manager shall act, including an omission or failure to act, in a manner that constitutes any of the following:
 - 1. A willful failure to deal fairly with the LLC or its members in connection with a matter in which the member or manager has a material conflict of interest;
 - 2. A violation of criminal law, unless the member or manager had reasonable cause to believe that the person's conduct was lawful or no reasonable cause to believe that the conduct was unlawful;
 - 3. A transaction from which the member or manager derived an improper personal profit or benefit;
 - 4. Willful misconduct.
- B. Every member and manager shall account to the LLC and hold as trustee for it any improper personal profit or benefit derived by that member or manager without the consent of a majority of the disinterested members or managers, or other persons participating in the management of the LLC, from any of the following:
 - 1. A transaction connected with the organization, conduct, or winding up of the LLC;
 - 2. A use by a member or manager of the property of an LLC, including confidential or proprietary information or other matters entrusted to the person as a result of the person's status as member or manager.
- C. Articles of operation may impose duties on its members and managers that are in addition to, but not in abrogation of, those provided in this section.

(Res. 07-16 (part))

6.34.190 Limitation of liability and indemnification.

- A. In this section, "expenses" means expenses of defending a lawsuit, including attorney's fees, and any civil judgment or penalty, or settlement payment in lieu thereof, paid in connection with a lawsuit against a member or manager in such capacity.
- B. An LLC shall indemnify or allow expenses to each member and each manager for all reasonable expenses incurred with respect to a proceeding if that member or manager was a party to the proceeding in the capacity of a member or manager.
- C. Articles of operation may alter or provide additional rights to indemnification or allowance of expenses to members and managers.
- D. Notwithstanding subsections B and C of this section, an LLC may not indemnify a member or manager unless it is determined that the member or manager did not breach or fail to perform a duty to the LLC as provided in Section 6.34.180.
- E. Unless otherwise provided in articles of operation:
 - 1. A member or manager shall be conclusively presumed not to have breached or failed to perform a duty to the LLC to the extent that the member or manager has been successful on the merits or otherwise in the defense of the proceeding.
 - 2. In situations not described in subsection (E)(1) of this section, the determination of whether member or manager has breached or failed to perform a duty to the LLC shall be made by the vote of a majority in interest of the members, excluding any member who is a party to the same or related proceeding unless all members are parties. Where all members are parties, the decision shall be made by independent legal counsel selected by the LLC.

(Res. 07-16 (part))

6.34.200 Voting.

- A. Unless otherwise provided in articles of operation or this chapter, and subject to subsection B of this section, an affirmative vote approval, or consent as follows shall be required to decide any matter connected with the business of an LLC:
 - 1. If management of an LLC is reserved to the members, an affirmative vote, approval, or consent by majority in interest of members.
 - 2. If the management of an LLC is vested in one or more managers, the affirmative, vote, consent, or approval of more than fifty (50) percent of the managers.
- B. Unless otherwise provided in articles of operation or this chapter, the affirmative vote, approval, or consent of all members shall be required to do any of the following:
 - 1. Amend the articles of organization;
 - 2. Issue an interest in an LLC to any person;
 - 3. Adopt, amend, or revoke articles of operation;
 - 4. Allow an LLC to accept any additional contribution from a member;
 - 5. Allow a partial redemption of an interest in an LLC under Section 6.34.270(C);
 - 6. Value contributions of members under Section 6.34.240; or
 - 7. Authorize a manager, member, or other person to do any act on behalf of the LLC that contravenes the articles of operation.
- C. Unless otherwise provided in articles of operation, if any member is precluded from voting with respect to a given matter, the value of the contribution represented by the interest in the LLC with respect to which the member would otherwise have been entitled to vote shall be excluded from the

Title 6 TRIBAL ENTERPRISES

total contributions made to the LLC for purposes of determining the fifty (50) percent threshold for that matter under the definition of majority in interest in Section 6.34.030.

- D. Unless otherwise provided in articles of operation or this section, if all or part of an interest in the LLC is assigned under Section 6.34.310, the assigning member shall be considered the owner of the assigned interest for purposes of determining the fifty (50) percent threshold for that matter under the definition of majority in interest in Section 6.34.030 until the assignee of the interest in the LLC becomes a member of the LLC.

(Res. 07-16 (part))

6.34.210 Records and information.

- A. An LLC shall keep at its principal place of business all of the following:
1. A list, in alphabetical order, of each past and present member and, if applicable, manager(s);
 2. A copy of the articles of organization and all amendments to the articles, together with executed copies of any powers of attorney under which any articles were executed; and
 3. A record of all matters referred to in this chapter as maintained in such records which are not otherwise specified in the articles of operation.
- B. Upon reasonable request, a member may, at the member's own expense, inspect and copy during ordinary business hours any LLC record unless otherwise provided in articles of operation.
- C. Members or, if the management of the LLC is vested in one or more managers, managers shall provide true and full information of all things affecting the members to any member or to the legal representative of any member upon reasonable request of the member or the legal representative.
- D. Failure of an LLC to keep or maintain any of the records of information required under this section shall not be grounds for imposing liability on any person for the debts and obligations of the LLC.

(Res. 07-16 (part))

6.34.220 Admission of members.

- A. In connection with the formation of an LLC, a person acquiring LLC interest is admitted as a member upon formation unless the articles of operation otherwise provide.
- B. After the formation of an LLC, a person acquiring an LLC interest is admitted as a member of the LLC as specified in the articles of operation or, if not so specified, by a majority in interest of members.

(Res. 07-16 (part))

6.34.230 Dissociation.

- A. A person ceases to be a member of an LLC upon the occurrence of and at the same time of any of the following events:
1. The member withdraws by voluntary act;
 2. The member is removed as a member in accordance with articles of operation or this chapter;
 3. Unless otherwise provided in articles of operation or by the written consent of all members at the time of the event, the member does any of the following:
 - a. Makes an assignment for the benefit of creditors,
 - b. Files a voluntary petition in bankruptcy,

Title 6 TRIBAL ENTERPRISES

- c. Becomes the subject of an order for relief under the federal bankruptcy laws or state or tribal insolvency laws, or
 - d. Fails to gain dismissal of any federal bankruptcy or state or tribal insolvency proceeding within one hundred twenty (120) days of commencement of an involuntary proceeding;
 4. Unless provided in articles of operation or by the written consent of all members, if the member is an individual:
 - a. The member's death, or
 - b. The entry of an order by a court of competent jurisdiction adjudicating the member incompetent to manage the member's person or estate;
 5. Unless otherwise provided in articles of operation or by written agreement or by the written consent of all members at the time, if the member is a trust, corporation, partnership, or limited liability company upon liquidation, dissolution, or termination.
- B. The members may provide in articles of operation for other events the occurrence of which result in a person ceasing to be a member of the LLC.
- C. Unless articles of operation provide that a member does not have the power to withdraw by voluntary act from an LLC, the member may do so at any time by giving written notice to the other members or as provided in articles of operation. If the member has the power to withdraw but the withdrawal is a breach of the articles of operation, the LLC may offset the damages against the amount otherwise distributable to the member, in addition to pursuing any remedies provided for in articles of operation or otherwise available under applicable law.

(Res. 07-16 (part))

6.34.240 Contributions.

- A. A member's contributions to an LLC may consist of cash, property, or services rendered, or promissory notes or other written obligations to provide cash or property or to perform services.
- B. The value of a member's contribution shall be determined in the manner provided in articles of operation. If the articles of operation does not fix a value to a contribution, the value of a contribution shall be approved by a majority in interest of the members, and shall be properly reflected in the records and information kept by the LLC under Section 6.34.210(A). The value of contributions so determined shall be binding and conclusive on the LLC and its members.

(Res. 07-16 (part))

6.34.250 Liability for contribution.

- A. An obligation of a member to provide cash or property or to perform services as a contribution to an LLC is not enforceable unless specified in a writing signed by the member.
- B. Unless otherwise provided in articles of operation, a member is obligated to an LLC to perform any enforceable promise to provide cash or property or to perform services, even if the member is unable to perform because death, disability, or any other reason. If a member does not provide cash, property, or services as promised, the member is obligated at the option of the LLC to provide cash equal to that portion of the value of the stated contribution that has not been fulfilled.
- C. Unless otherwise provided in articles of operation, a member's obligation to provide cash or property or perform services as a contribution to the LLC may be compromised only by the written consent of all of the members.

(Res. 07-16 (part))

6.34.260 Allocation of profits and losses.

The profits and losses of an LLC shall be allocated among the members in the manner provided in articles of operation. If the members do not enter into articles of operation or the articles of operation does not so provide, profits and losses shall be allocated on the basis of value of the contributions made by each member.

(Res. 07-16 (part))

6.34.270 Non-liquidating distributions.

- A. Interim Distributions. Except as otherwise provided in this chapter, a member is entitled to receive distributions from an LLC before the member's dissociation from the LLC and before its dissolution and winding up to the extent and at the times or upon the events specified in articles of operation, or to the extent and at the times determined by the members or managers.
- B. Allocation of Distributions. Distributions of cash or other assets of an LLC shall be allocated among the members as provided in articles of operation, or if the articles of operation does not provide, on the basis of the value of the contributions made by each member.
- C. Distribution Upon Partial Redemption. Except as otherwise provided in this chapter, upon the distribution in partial liquidation of a member's interest, the redeeming member is entitled to receive the amount to which the member is entitled under articles of operation and, if not otherwise provided in articles of operation, the fair value of the redeemed interest based on the member's right to share in distributions from the LLC.
- D. Distribution Upon Dissociation. Except as otherwise provided in this chapter, upon an event of dissociation under Section 6.34.230 that does not cause dissolution of the LLC, a dissociating member is entitled to receive any distribution to which member is entitled under articles of operation and, if not otherwise provided in articles of operation the fair value of the member's interest in the LLC based on the member's rights to share in distributions from the LLC.
- E. Distribution in Kind. Unless otherwise provided in articles of operation:
 - 1. A member may not demand and receive any distribution from an LLC in any form other than cash.
 - 2. A member may not be compelled to accept a distribution of any asset in kind except for a liquidating distribution made proportionately.
- F. Right to Distribution. At the time that a member becomes entitled to receive a distribution from an LLC, the member has the status of and is entitled to all remedies available to a creditor of the LLC with respect to the distribution.

(Res. 07-16 (part))

6.34.280 Limitations of distributions.

- A. An LLC may not declare or make a distribution to any of its members if after giving effect to the distribution any of the following would occur:
 - 1. The LLC would be unable to pay its debts as they become due in the usual course of business; or
 - 2. The fair market value of the LLC's total assets would be less than the sum of its total liabilities plus, unless articles of operation provides otherwise, the amount that would be needed for the preferential rights upon dissolution of members, if any.
- B. An LLC may base a determination that a distribution is not prohibited by subsection A of this section on any of the following:

Title 6 TRIBAL ENTERPRISES

1. Financial statements and other financial data prepared on the basis of accounting practices and principles that are reasonable under the circumstances; or
 2. A fair market valuation or other method that is reasonable under the circumstances.
- C. An LLC's indebtedness to a member incurred by reason of a distribution made in accordance with this section is at parity with the LLC's indebtedness to its general unsecured creditors, except to the extent subordinated by written agreement. This section does not affect the validity or priority of a security interest in an LLC's property that is created to secure the indebtedness to the member.

(Res. 07-16 (part))

6.34.290 Liability for wrongful distribution.

- A. Except as provided in subsection B of this section a manager or member, other than the Tribe or its wholly owned enterprise(s), who votes or assents to a distribution in violation of Section 6.34.280 or of articles of operation is personally liable to the LLC for the amount of the excess distribution, subject to contribution from all other managers or members participating in such action.
- B. A proceeding under this section is barred unless it is brought within two years after the date on which the effect of the distribution was measured under Section 6.34.280.

(Res. 07-16 (part))

6.34.300 LLC property—Ownership—Transfer—Nature of interest.

- A. Ownership.
1. All property originally transferred to or acquired by an LLC is property of the LLC and not the members individually.
 2. Property acquired with LLC funds is presumed to be LLC property.
 3. Property may be acquired, held, and conveyed in the name of the LLC.
- B. Transfer. The property of an LLC may be transferred by an instrument of transfer executed by any member in the name of the LLC, unless management is vested in managers, in which case the document of transfer shall be executed by a manager, subject to any limitation that may be imposed by the articles of operation.
- C. Nature of Interest. An LLC interest is personal property.

(Res. 07-16 (part))

6.34.310 Assignment of interest.

- A. Unless otherwise provided in articles of operation:
1. An LLC interest is assignable in whole or in part.
 2. An assignment of an LLC interest entitles the assignee to receive only the distributions and to share in the allocations of profits and losses to which the assignee would be entitled with respect to the assigned interest.
 3. An assignment of an LLC interest does not dissolve the LLC.
 4. Unless and until the assignee becomes a member of the LLC under this chapter, the assignment of an LLC interest does not entitle the assignee to participate in the management or exercise rights of a member.

Title 6 TRIBAL ENTERPRISES

5. Unless and until the assignee of an LLC interest becomes a member or the LLC, the assignor continues to be a member.
 6. The assignor of an LLC interest is not released from any personal liability arising under this chapter as a member of the LLC solely as a result of the assignment.
- B. Unless otherwise provided in articles of operation, the granting of a security interest, lien, or other encumbrance in or against any or all of a member's LLC interest is not assignable and shall not cause the member to cease to have the power to exercise any rights or powers of a member.
- (Res. 07-16 (part))

6.34.320 Rights of judgment creditor.

On application to a court of competent jurisdiction, including a court other than the Tribal Court having valid jurisdiction over the member by any judgment creditor of a member, the Court may charge the LLC interest of any member other than the Tribe or its wholly owned enterprise(s) with payment of the unsatisfied amount of the judgment. To the extent so charged, the judgment creditor has only the rights of an assignee of the member's LLC interest. This section does not deprive any member of the benefit of any exemption laws applicable to the LLC interest. In no event shall the interest of the Tribe or any of its wholly owned enterprises be attachable in abrogation of its sovereign immunity.

(Res. 07-16 (part))

6.34.330 Right of assignee to become a member.

- A. Unless otherwise provided in articles of operation, an assignee of an LLC interest may become a member only if the other members unanimously consent.
- B. An assignee of an LLC interest who becomes a member has, to the extent assigned, the rights and powers and is subject to the restrictions and liabilities of the assignor under articles of operation and this chapter.
- C. Unless otherwise provided in articles of operation, an assignor of an LLC interest is not released from any liability to the LLC without the written consent of all the members, whether or not the assignee becomes a member.

(Res. 07-16 (part))

6.34.340 Powers of legal representative.

If a member who is an individual dies or a court of competent jurisdiction adjudges the member to be incompetent to manage his or her person or property, the member's personal representative, administrator, guardian, conservator, trustee, or other legal representative shall have all the rights of an assignee of the member's interest. If a member is a foreign or domestic corporation, trust, partnership, limited liability company, or other entity and is dissolved or terminated, the powers of that member may be exercised by its legal representative or successor.

(Res. 07-16 (part))

6.34.350 Dissolution.

- A. An LLC is dissolved and its affairs shall be wound up upon the happening of the first of the following:
 1. The occurrence of events specified in articles of operation;
 2. The written consent of all members;

Title 6 TRIBAL ENTERPRISES

3. An event of dissociation of a member, unless otherwise provided in articles of operation or continuation is consented to by all remaining members; or
 4. Entry of a decree of judicial dissolution under subsection H of this section.
- B. Voluntary Dissolution by Organizers. An LLC which has not commenced business may be voluntarily dissolved by its organizers at any time in the following manner:
1. Articles of dissolution shall be executed in duplicate by a majority of the organizers and verified by them and shall set forth:
 - a. The name of the LLC;
 - b. The date of issuance of its certificate of organization;
 - c. That the LLC has not commenced business;
 - d. That the amount, if any, actually contributed by members, less any part thereof disbursed for necessary expenses, has been returned to those entitled thereto;
 - e. That no debts of the LLC remain unpaid; and
 - f. That a majority of the organizers elect that the LLC be dissolved.
 2. Duplicate originals of the articles of dissolution shall be delivered to the Business Administration Board. If the board finds that the articles of dissolution conform to law, it shall:
 - a. Endorse on each of the duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - b. File one of the duplicate originals in the board's office;
 - c. Issue a certificate of dissolution to which the board shall affix the other duplicate original.
 3. The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto by the board, shall be returned to the organizers or their representative. Upon the issuance of such certificate of dissolution by the board, the existence of the LLC shall cease.
- C. Voluntary Dissolution by Consent of Members. An LLC may be voluntarily dissolved by the written consent of all its members; provided that an LLC wholly owned and operated by the Tribe and/or its wholly owned enterprise(s) shall only be dissolved voluntarily by a resolution adopted by a two-thirds majority of the then voting members of the Tribal Council and/or each other governing board, upon recommendation and approval of such resolution by the members of the dissolving LLC.
1. Upon the execution of such written consent, a statement of intent to dissolve shall be executed in duplicate by the LLC, which statement shall set forth:
 - a. The name of the LLC;
 - b. The names and addresses of its members;
 - c. The names and addresses of its manager(s), if any;
 - d. A statement that written consent has been signed by the members of the LLC or signed in their names by their attorneys thereunto duly authorized;
 - e. The written consent, which shall be signed by all members of the LLC or, in the case of an LLC wholly owned by the Tribe and/or its wholly owned enterprise(s), signed by at least two-thirds of the then voting members of the Tribal Council and/or the governing board(s) of each.
 2. Filing of Statement of Intent to Dissolve. Duplicate originals of the statement of intent to dissolve shall be delivered to the Business Administration Board along with all applicable fees. If the board finds that such statement conforms to law and all applicable fees have been paid, the board shall:

Title 6 TRIBAL ENTERPRISES

- a. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - b. File one of such duplicate originals in the board's office;
 - c. Return the other duplicate original to the LLC or its representative.
- D. Effect of Statement of Intent to Dissolve. Upon the filing with the Business Administration Board of a statement of intent to dissolve along with all applicable fees, the LLC shall cease to carry on its business, except insofar as may be necessary for the winding up thereof, but its existence shall continue until a certificate of dissolution has been issued by the board or until a decree dissolving the LLC has been entered by the Tribal Court.
- E. Voluntary Dissolution—Revocation—Consent of organizers or members.
 1. By the written consent of all its organizers if subject to subsection B of this section, or of all its members if subject to subsection C of this section, an LLC may, at any time prior to the issuance of a certificate of dissolution by the Business Administration Board, revoke voluntary dissolution proceedings theretofore taken.
 2. Upon the execution of such written consent, a statement of revocation of voluntary dissolution proceedings shall be executed by the LLC, which statement shall set forth:
 - a. The name of the LLC;
 - b. The names and addresses of its members;
 - c. The names and addresses of its manager(s), if any;
 - d. A copy of the written consent signed by all organizers or members revoking such voluntary dissolution proceedings;
 - e. That such written consent has been signed by all organizers or members of the LLC or signed in their names by their attorney thereunto duly authorized.
- F. Voluntary Dissolution—Revocation—Statement—Filing. The original and a duplicate copy of the statement of revocation of voluntary dissolution proceedings, whether by consent of organizers or the members, shall be delivered to the Business Administration Board along with all applicable fees, which shall, when all applicable fees have been paid:
 1. Endorse on the original the word "filed" and the month, day and year of the filing thereof;
 2. File the original in the board office;
 3. Return to the LLC or its representative the duplicate copy stamped with the date of filing in the office of the board;
 4. The duplicate copy of the statement of revocation of voluntary dissolution proceedings for a foreign LLC, bearing the date of filing in the office of the board, shall be recorded in the office of the county clerk of the county where the registered office of the LLC is located.
- G. Voluntary Dissolution—Revocation—Statement—Filing—Effect. Upon filing and recording in the office of the Business Administration Board of the original of the statement of revocation of voluntary dissolution proceedings, whether by consent of the organizers or the members, along with all applicable fees, the revocation of the voluntary dissolution proceedings shall become effective and the LLC may again carry on its business.
- H. Involuntary Dissolution. An LLC may be dissolved involuntarily by a decree of the Tribal Court in an action filed in the name of the Tribe when any of the following is established:
 1. The LLC procured its articles of organization through fraud;
 2. The LLC has continued to exceed or abuse the authority conferred upon it by law after reasonable notice to the LLC;

Title 6 TRIBAL ENTERPRISES

3. The LLC has failed for ninety (90) days to appoint and maintain a registered agent in Indian country;
 4. The LLC has failed for ninety (90) days after change of its registered office or registered agent to file in the Business Administration Board's office a statement of such change; or
 5. The LLC has failed for sixty (60) days to pay any and all fees and taxes due pursuant to tribal law.
- I. Venue and Process. Every action for the involuntary dissolution of an LLC shall be commenced by General Counsel of the Tribe in the name of the Tribe in the Tribal Court. Summons shall issue and be served as in other civil actions.
- J. Involuntary Dissolution—Action—Summons—Notice—Default. Every action for the involuntary dissolution of an LLC shall be commenced by the General Counsel in the Tribal Court. Summons shall issue and be served as in other civil actions. If process is returned not found, the General Counsel shall cause publication to be made as in other civil cases in a newspaper of general circulation published in the county where the last-known registered office of the LLC is situated, containing a notice of pendency of such action, the title of the Court, the title of the action, and the date on or after which default may be entered. The General Counsel may include in one notice the names of any number of LLCs against which actions are then pending in the same court. The General Counsel shall cause a copy of such notice to be mailed to the LLC at its last-known registered office or mailing address within ten (10) days after the first publication thereof. Such notice shall be published at least once each week for two successive weeks, and the first publication thereof may begin at any time after the summons has been returned. Unless an LLC shall have been served with summons, no default shall be taken against it earlier than thirty (30) days after the first publication of such notice.
- K. Jurisdiction of the Squaxin Island Tribe. The Tribe shall have full power to liquidate the assets and business of an LLC:
1. In an action by a member when one or more of the following is established:
 - a. That the manager(s), if any, or the members are deadlocked in the management of the LLC affairs and are unable to break the deadlock, and that irreparable injury to the LLC is being suffered or is threatened by reason thereof;
 - b. That the acts of the manager(s) or those in control of the LLC are illegal, oppressive or fraudulent;
 - c. That the LLC assets are being misapplied or wasted.
 2. In an action by a creditor or the Tribe when one or more of the following is established:
 - a. The claim of the creditor has been reduced to judgment and an execution thereon returned unsatisfied and it is established that the LLC is insolvent;
 - b. The LLC has admitted in writing that the claim of the creditor is due and owing and it is established that the LLC is insolvent;
 - c. An application has been made by an LLC which has filed a statement of intent to dissolve, as provided in this chapter, to have its liquidation continued under the supervision of the Tribal Court;
 - d. An action has been filed by the General Counsel for the Tribe to dissolve an LLC and it is established that liquidation of its business and affairs should precede the entry of a decree of dissolution.
- L. Members not Necessary Parties. It shall not be necessary to make members parties to any such action or proceeding unless relief is sought against them personally.

(Res. 07-16 (part))

6.34.360 Winding up.

- A. Procedure After Filing of Statement of Intent to Dissolve. After filing with the Business Administration Board of a statement of intent to dissolve and all applicable fees have been paid:
 - 1. The LLC shall immediately cause notice thereof to be mailed to each known creditor of the LLC.
 - 2. The LLC shall proceed to collect its assets, convey and dispose of such of its properties as are not to be distributed in kind to its members, pay, satisfy and discharge its liabilities and obligations, and do all other acts required to liquidate its business and affairs and, after paying or adequately providing for the payment of all its obligations, distribute the remainder of its assets, either in cash or in kind, among its members according to their respective rights and interests.
 - 3. The LLC may, at any time during the liquidation of its business affairs, make application to the Tribal Court to have the liquidation continued under the supervision of the Tribal Court.
 - 4. No LLC shall be dissolved under this chapter until any and all fees and taxes due to or assessable by the Tribe shall have been paid.
- B. Articles of Dissolution. When all debts, liabilities and obligations of the LLC have been paid or discharged, or adequate provision has been made therefor, and all of the remaining property and assets of the LLC have been distributed to its members, articles of dissolution shall be executed in duplicate by the LLC, which statement shall set forth:
 - 1. The name of the LLC;
 - 2. That all debts, obligations and liabilities of the LLC have been paid and discharged or that adequate provision has been made therefor;
 - 3. That all the remaining property and assets of the LLC have been distributed among its members in accordance with their respective rights and interests; and
 - 4. That there are no suits pending against the LLC in any court, or that adequate provision has been made for the satisfaction of any judgment, order or decree which may be entered against it in any pending suit.
- C. Filing Articles of Dissolution. Duplicate originals of such articles of dissolution shall be delivered to the Business Administration Board along with all applicable fees. If the board finds that such articles of dissolution conform to tribal law and all applicable fees have been paid, the board shall:
 - 1. Endorse on each of such duplicate originals the word "filed" and the month, day and year of the filing thereof;
 - 2. Maintain one of such duplicate originals in the board's office;
 - 3. Issue a certificate of dissolution to which the board shall affix the other duplicate original;
 - 4. Return the certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, to the representative of the dissolved LLC. Upon the issuance of such certificate of dissolution, the existence of the LLC shall cease, except for the purpose of suits, other proceedings and appropriate corporate action by members and manager(s), if any.
- D. Dissolution of an LLC does not do any of the following:
 - 1. Transfer title to the LLC's property;
 - 2. Prevent transfer of all or part of a member's interest;
 - 3. Prevent commencement of a civil, criminal, administrative, or investigatory proceeding by or against the LLC;
 - 4. Abate or suspend a civil, criminal, administrative, or investigatory proceeding pending by or against the LLC at the time of dissolution;

5. Terminate the authority of the registered agent of the LLC;
6. Alter the limited liability of a member.

(Res. 07-16 (part))

6.34.370 Procedure in liquidation of LLC by the Tribe.

The following procedures shall be followed in the event of liquidation of an LLC by the Tribe:

- A. In proceedings to liquidate the assets and business of an LLC, the Tribal Court shall have the power to issue injunctions, to appoint a receiver or receivers pendente lite, with such powers and duties as the Tribal Court from time to time may direct, and to take such other actions as may be requisite to preserve the LLC assets wherever situated and carry on the business of the LLC until a full hearing can be had.
- B. In the event that a creditor or creditors petition the Tribal Court to appoint a liquidating receiver, such creditor or creditors shall pay such liquidating receiver's fees, which shall be set by the Tribal Court.
- C. After a hearing had upon such notice as the Tribal Court may direct to be given to all parties to the proceedings, and to any other parties in interest designated by the Court, the Court may appoint a liquidating receiver or receivers with authority to collect the assets of the LLC, including all amounts owing to the LLC by subscribers on account of any unpaid portion of the consideration for the issuance of shares. Such liquidating receiver or receivers shall have authority, subject to the order of the Tribal Court, to sell, convey and dispose of all or any part of the assets of the LLC wherever situated, either at public or private sale. The assets of the LLC or the proceeds resulting from a sale, conveyance or other disposition thereof shall be applied to the expenses of such liquidation and to the payment of the liabilities and obligations of the LLC, and any remaining assets or proceeds shall be distributed among its members according to their respective rights and interests. The order appointing such liquidating receiver or receivers shall state their powers and duties. Such powers and duties may be increased or diminished at any time during the proceedings.
- D. The Tribal Court shall have power to allow, from time to time, as the expenses of the liquidation compensation to the receiver or receivers and to attorneys in the proceeding, and to direct the payment thereof out of the assets of the LLC or the proceeds of any sale or disposition of such assets.
- E. A receiver of an LLC appointed under the provisions of this section shall have authority to sue and defend in all courts in his or her own name as receiver of such LLC. The Tribal Court appointing such receiver shall have exclusive jurisdiction of the LLC and its property, wherever situated.
- F. A receiver of an LLC appointed under the provisions of this section shall, absent gross negligence or wilful misconduct, be held harmless for his or her official acts.
- G. Qualifications of Receivers; Bond. A receiver shall in all cases be a natural person or a corporation authorized to act as a receiver, which corporation may be a domestic corporation or a foreign corporation authorized to transact business in Indian country, and every receiver shall give such bond as the Tribal Court may direct with such sureties as the Tribal Court may require.
- H. Filing of Claims in Liquidation Proceedings. In proceedings to liquidate assets and business of an LLC, the Tribal Court may require all creditors of the LLC to file with the clerk of the Tribal Court or with the receiver, in such form as the Court may prescribe, proofs under oath of their respective claims. If the Court requires the filing of claims it shall fix a date, which shall not be less than four months from the date of the order, as the last day for the filing of claims, and shall prescribe the notice that shall be given to creditors and claimants of the date so fixed. Prior to the date so fixed, the Tribal Court may extend the time for the filing of claims. Creditors and

Title 6 TRIBAL ENTERPRISES

claimants failing to file proofs of claim on or before the date so fixed may be barred, by order of the Court, from participating in the distribution of the assets of the LLC.

- I. Discontinuance of Liquidation Proceedings. The liquidation of the assets and business of an LLC may be discontinued at any time during the liquidation proceedings when it is established that cause for liquidation no longer exists. In such event, the Tribal Court shall make such orders as it deems appropriate with respect to expenses and costs, in accordance with all tribal law, and shall dismiss the proceedings and direct the receiver to redeliver to the LLC all its remaining property and assets.
- J. Decree of Involuntary Dissolution. In proceedings to liquidate the assets and business of an LLC, when the costs and expenses of such proceedings and all debts, obligations and liabilities of the LLC shall have been paid and discharged and all of its remaining property and assets distributed to its members, or in a case when its property and assets are not sufficient to satisfy and discharge such costs, expenses, debts and obligations and all the property and assets have been applied so far as they will go to their payment, the Tribal Court shall enter a decree dissolving the LLC, whereupon the existence of the LLC shall cease.
- K. Filing of Decree of Dissolution. When the Tribal Court has entered a decree dissolving an LLC, it shall be the duty of the clerk of the Court to cause a certified copy of the decree to be filed with the Business Administration Board. No fee shall be charged by the board for the filing thereof.
- L. Deposit with the Tribe of Amounts Due Certain Members. Upon the voluntary or involuntary dissolution of an LLC, the portion of the assets distributable to a creditor or shareholder who is unknown or cannot be found, or who is under disability and there is no person legally competent to receive such distributive portion, shall be reduced to cash and deposited with the Business Administration Board and shall, upon ex parte petition or such other proceeding as the Tribal Court deems proper, be paid over to such creditor or shareholder or to his legal representative upon proof reasonably satisfactory to the board of his or her right thereto. Unclaimed funds shall revert to the Tribe after five years.
- M. Survival of Remedy After Dissolution. The dissolution of an LLC:
 1. By the issuance of a certificate of dissolution by the Business Administration Board;
 2. By a decree of the Tribe when the Tribal Court has not liquidated the assets and business of the LLC as provided in this chapter; or
 3. By expiration of its period of duration; shall not take away or impair any remedy available to or against such LLC, its directors, officers or shareholders, for any right or claim existing or any liability incurred, prior to such dissolution if action or other proceeding thereon is commenced within two years after the date of such dissolution. Any such action or proceeding by or against the LLC may be prosecuted by or defended by the LLC in its name. The members and manager(s) shall have power to take such action as shall be appropriate to protect such remedy, right or claim. If an LLC was dissolved by the expiration of its period of duration, the LLC may amend its articles of organization at any time during such period of two years so as to extend its period of duration and such amendment shall be deemed to relate back to such date of dissolution.

(Res. 07-16 (part))

6.34.380 Distribution of assets.

Upon the winding up of an LLC, the assets shall be distributed in the following order:

- A. To creditors including, to the extent permitted by law, members and former members in satisfaction of liabilities of the LLC;

Title 6 TRIBAL ENTERPRISES

- B. Unless otherwise provided in articles of operation, to members and former members in satisfaction of liabilities for distributions under Sections 6.34.270(A), (C), and (D);
- C. Unless otherwise provided in articles of operation, to members and former members first for the return of their contributions in proportion to their respective values and, thereafter, in proportion to their respective rights to share in distributions from the LLC before dissolution.

(Res. 07-16 (part))

6.34.390 Claims against dissolved LLC.

- A. Known Claims.
 - 1. A dissolved LLC shall promptly notify its known claimants in writing of the dissolution and specify a procedure for making claims.
 - 2. A claim against the LLC is barred if:
 - a. A claimant who was given written notice under subsection A of this section does not deliver the claim, in writing, to the LLC by the deadline specified in the notice.
 - b. A claimant whose claim is rejected by the LLC does not commence a proceeding to enforce the claim within ninety (90) days after receipt of the rejection notice.
- B. Unknown or Contingent Claims. A claim not barred under subsection (A)(2) of this section may be enforced:
 - 1. Against the dissolved LLC, to the extent of its undistributed assets;
 - 2. If the dissolved LLC's assets have been distributed in liquidation, against a member of the LLC, other than the Tribe or its wholly owned enterprises, to the extent of the member's proportionate share of the claim or of the assets of the LLC distributed to the member in liquidation, whichever is less, but a member's total liability for all claims under this section may not exceed the total value of assets at the time distributed to the member.

(Res. 07-16 (part))

6.34.400 Merger.

- A. Unless the context requires otherwise, in this section and Sections 6.34.410 through 6.34.430, "LLC" includes domestic and foreign LLCs.
- B. Unless otherwise provided in articles of operation, one or more LLCs may merge with or into one or more LLCs provided in the plan of merger.
- C. Interests in an LLC that is a party to a merger may be exchanged for or converted into cash, property, obligations, or interest in the surviving LLC.
- D. Approval of Merger.
 - 1. Unless otherwise provided in articles of operation, an LLC that is a party to a proposed merger shall approve the plan of merger by an affirmative vote of a majority in interest of members.
 - 2. Unless otherwise provided in articles of operation, the manager(s) of an LLC may not approve a merger without also obtaining the approval of the LLC's members under subsection (D)(1) of this section.
 - 3. Each foreign LLC that is a party to a proposed merger shall approve the merger in the manner and by the vote required by the laws applicable to the foreign LLC.
 - 4. Each LLC that is a party to the merger shall have any rights to abandon the merger that are provided for in the plan of merger or in the laws applicable to the LLC.

Title 6 TRIBAL ENTERPRISES

5. Upon approval of a merger, the LLC shall notify each member of the approval and of the effective date of the merger.
- E. Plan of Merger. Each LLC that is a party to a proposed merger shall enter into a written plan of merger to be approved under subsection (D)(1) of this section.
- (Res. 07-16 (part))

6.34.410 Articles of merger.

- A. The surviving LLC shall deliver to the Business Administration Board articles of merger, executed by each party to the plan of merger, that include all of the following:
1. The name and jurisdiction of organization for each LLC that is to merge;
 2. The plan of merger;
 3. The name of the surviving or resulting LLC;
 4. A statement as to whether the management of the surviving LLC will be reserved to its members or vested in one or more managers;
 5. The delayed effective date of the merger if applicable;
 6. A statement whether the Tribe and/or any of its wholly owned enterprises is the sole member(s);
 7. If the Tribe and/or any of its wholly owned enterprises is the sole member(s), a statement as to whether the LLC enjoys the Tribe's sovereign immunity;
 8. A statement that the plan of merger was approved under Section 6.34.400(D)(1).
- B. A merger takes effect upon the effective date of the articles of merger.
- (Res. 07-16 (part))

6.34.420 Effects of merger.

A merger has the following effects:

- A. The LLCs that are parties to the plan of merger become a single entity, which shall be the entity designated in the plan of merger as the surviving LLC;
- B. Each party to the plan of merger, except the surviving LLC, ceases to exist;
- C. The surviving LLC possesses all of the rights, privileges, immunities, and powers of each merged LLC and is subject to all of the restrictions, disabilities, and duties of each merged LLC;
- D. All property and all debts, including contributions, and each interest belonging to or owed to each of the parties to the merger are vested in the surviving LLC without further act;
- E. Title to all real estate and any interest in real estate, vested in any party to the merger, does not revert and is not in any way impaired because of the merger;
- F. The surviving LLC has all the liabilities and obligations of each of the parties to the plan of merger and any claim existing or action or proceedings pending by or against any merged LLC may be prosecuted as if the merger had not taken place, or the surviving LLC may be substituted in the action;
- G. The rights of creditors and any liens on the property of any party to the plan of merger survive the merger;
- H. The interests in an LLC that are to be converted or exchanged into interest, cash, obligations, or other property under the terms of the plan of merger are converted and the former interest

Title 6 TRIBAL ENTERPRISES

holders are entitled only to the rights provided in the plan of merger of the rights otherwise provided by law;

- I. The articles of organization of the surviving LLC are amended to the extent provided in the articles of merger.

(Res. 07-16 (part))

6.34.430 Right to object.

Unless otherwise provided in articles of operation, upon receipt of the notice required by Section 6.34.400(D)(5), a member who did not vote in favor of the merger may, within twenty (20) days after the date of the notice, voluntarily disassociate from the LLC under Section 6.34.230(C) and receive fair value for the member's LLC interest under Section 6.34.270(D).

(Res. 07-16 (part))

6.34.440 Certificate of authority to transact business.

- A. Foreign and domestic LLCs must have certificate of authority. No foreign or domestic LLC shall transact business in Indian country unless it holds a certificate of authority, and no foreign LLC may purchase land in the territory under the jurisdiction of the Tribe. This section shall not apply to enterprises wholly owned by the Tribe and/or its wholly owned enterprises and doing business in Indian country on or before the effective date of the ordinance codified in this chapter.
- B. Application for certificate of authority. In order to procure a certificate of authority to transact business, an LLC shall make application to the Business Administration Board, which application shall set forth:
 1. The name of the LLC and, in the event that the applicant is a foreign LLC, the Indian tribe, state or country under the laws of which it is organized;
 2. The date of its organization and the period of its duration;
 3. The address of its principal office;
 4. That it irrevocably consents to the service of process upon it in accordance with Squaxin Island tribal law;
 5. The name and respective addresses of its members and manager(s), if any;
 6. A statement that the person(s) executing the application have been duly authorized by the LLC; and
 7. A foreign LLC must also provide a copy of its articles of organization and the name and address of its registered agent in Indian country.

Application shall be made on forms prescribed and furnished by the Business Administration Board and shall be executed, acknowledged and verified by its manager(s), if any, or by one or members authorized to take such actions on behalf of the LLC, and delivered to the board with authenticated copies of its articles of organization.

- C. Issuance of Certificate of Authority. If the application be according to law, the Business Administration Board, when all fees and charges have been paid as required by law, shall file in its office the application and a copy of the articles of organization and shall issue and record a certificate of authority to transact business on land under the jurisdiction of the Tribe upon the affirmative action of the board.
- D. Contents of Certificate of Authority. The certificate of authority shall contain the name of the LLC, the Indian tribe or the state or country of organization, the period of duration of its existence, the address

Title 6 TRIBAL ENTERPRISES

of its registered office and a statement that it is authorized to transact business on land under the jurisdiction of the Tribe.

- E. Effect of Certificate of Authority. After issuance of a certificate of authority and until cancellation or revocation thereof or issuance of a certificate of withdrawal, the LLC shall possess within said territories the same rights and privileges that any LLC would possess if organized for the purpose set forth in the articles of organization of such LLC pursuant to which its certificate of authority is issued, and shall be subject to the laws of the Tribe.
- F. Registered Office on Trust Land. Each foreign LLC authorized to transact business on said territories shall have and continuously maintain a registered office on trust land within the territories under the jurisdiction of the Tribe.
- G. Application for Withdrawal—Filing.
 - 1. If a foreign or domestic LLC holding a certificate of authority desires to withdraw, it shall file with the Business Administration Board an application for withdrawal along with all applicable fees.
 - 2. The application for withdrawal shall set forth:
 - a. The name of the LLC and the Indian tribe, state and/or country under the laws of which it is organized;
 - b. That it has no property located on territories under the jurisdiction of the Tribe and has ceased to transact business therein;
 - c. That its manager(s), if any, or its members have duly determined to surrender its authority to transact business on said territories;
 - d. That it revokes the authority of its registered agent in Indian country to accept service of process;
 - e. The address to which the Business Administration Board shall mail a copy of any process against the LLC that may be served upon it;
 - f. That it will pay to the Business Administration Board the amount of any additional license, fee or tax properly found by the board to be then due from such LLC;
 - g. Such additional information as may be required or demanded by the Business Administration Board to enable it to determine the additional fee, if any, payable by such LLC.
 - 3. The application for withdrawal shall be executed, acknowledged and verified on behalf of the LLC by its manager(s), if any, or by person(s) authorized to take such action on its behalf, or, if the LLC is in the hands of a receiver or trustee, by such receiver or trustee.
 - 4. Such application for withdrawal shall be delivered to the Business Administration Board. If, upon receipt thereof, it conforms to the provisions of this chapter, it shall be, when all license fees, filing fees and other charges have been paid as required by law, filed in the office of the board, and the board shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate to the Secretary of State of the Tribe or state in which the registered office of the LLC is situated. Upon issuance of such certificate by the board, the authority of the LLC to transact business on lands under the jurisdiction of the Tribe shall cease.
- H. Revocation of Certificate of Authority.
 - 1. The certificate of authority of a foreign or domestic LLC to transact business on territories under the jurisdiction of the Tribe shall be revoked by the Business Administration Board if the LLC fails to:
 - a. Pay any fee due under the provisions of this chapter or any other provision of tribal law;
 - b. Designate a registered agent when a vacancy occurs in that office, or when the appointed registered agent becomes disqualified or incapacitated;

Title 6 TRIBAL ENTERPRISES

- c. File an annual report.
 2. When the Business Administration Board shall find that any such default has occurred, it shall give notice by certified mail to such LLC at its registered office that such default exists and that its certificate of authority will be revoked unless such default be cured within thirty (30) days after the mailing of such notice.
 3. The Business Administration Board shall revoke the certificate of authority of such LLC to do business on territories within the jurisdiction of the Tribe if such default shall not be cured within such period of thirty (30) days, provided that for good cause shown the board may enlarge the period from time to time, but the aggregate of such enlargement shall not exceed ninety (90) days.
 4. Upon revoking such certificate of authority, the Business Administration Board shall:
 - a. Issue a certificate of revocation, in duplicate;
 - b. Mail to such LLC at its principal office in the Tribe, state or country under the laws of which it is organized a notice of such revocation, accompanied by one such certificate, and mail to such LLC, at its registered office in Indian country, a notice of such revocation.
 5. Upon the issuance of a certificate of revocation, the authority of the LLC to transact business on territories under the jurisdiction of the Tribe shall cease.
- I. Cancellation of Certificate of Authority.
1. When the public interest may require, the Tribal Council may direct that an action be brought against a foreign LLC to cancel its certificate of authority to transact business on territories under the jurisdiction of the Tribe upon any of the following grounds:
 - a. The certificate of authority was procured through fraud;
 - b. The certificate of authority should not have been issued to the LLC under this ordinance;
 - c. The certificate of authority was procured without a substantial compliance with the conditions prescribed by this chapter or precedent or essential to its issuance;
 - d. The LLC has offended against any provisions of the tribal law regulating LLCs, or has abused or usurped LLC privileges or power;
 - e. The LLC is knowingly and persistently violating any provision of tribal law;
 - f. The LLC has done or omitted any action which amounts to a surrender of its certificate of authority.
 2. If the ground for the action is an act which the LLC has done or omitted to do, and it appears probable that correction can be made, then such action shall not be instituted unless the Tribal Council shall give notice to such LLC by certified mail at its registered office in Indian country that such default or violation exists and that an action to cancel its certificate of authority will begin unless such default shall be cured or such violation discontinued within thirty (30) days, provided that for good cause shown on the Tribal Council may enlarge this period from time to time, but the aggregate of such enlargement shall not exceed ninety (90) days.
 3. The Tribal Council shall cause two certified copies of the judgment canceling a certificate of authority to be delivered to the Business Administration Board. The board shall file one copy in its office and shall mail the other copy to the LLC, at its principal office in the state or county under the laws of which it is organized, and mail to the LLC at its registered office in Indian country a notice of such cancellation.
 4. Any foreign LLC whose certificate of authority to do business on territories under the jurisdiction of the Tribe has been revoked or cancelled may file with the Business Administration Board an application for reinstatement. Such application shall be on forms prescribed by the board, shall contain all the matters required to be set forth in an original application for a certificate of authority, and such other pertinent information as may be required by the board.

Title 6 TRIBAL ENTERPRISES

5. If the certificate of authority was revoked by the Business Administration Board pursuant to Section 6.34.440(H), the LLC shall pay to the board two hundred dollars (\$200.00) before it may be reinstated. If the certificate of authority was cancelled by a judgment pursuant to this Section 6.34.440(I), the LLC shall pay the board five hundred dollars (\$500.00) before it may be reinstated.
 6. Upon filing of such application and upon payment of all penalties, fees and charges required by law, not including, however, an initial license fee or additional license fees to the extent that the same have theretofore been paid by such LLC, the Business Administration Board shall issue and record a certificate of reinstatement and shall transmit such certificate to the LLC at its registered office in Indian country.
- J. Certificates issued by the Business Administration Board.
1. Any certificate issued by the Business Administration Board pursuant to the provisions of this section, and true copies of such certificate, shall be prima facie evidence of the matter stated therein.
 2. A certificate issued by the Business Administration Board to the effect that a foreign LLC is not authorized to transact business in territories under the jurisdiction of the Tribe shall be prima facie evidence of the facts therein stated.

(Res. 07-16 (part))

6.34.450 Fees.

- A. Organization Fees—License Fees—Duration.
1. Upon submission of articles of organization, an LLC shall pay to the Business Administration Board the sum of one hundred dollars (\$100.00) which shall be refundable only upon rejection of the articles of organization by the Business Administration Board, provided that upon such rejection the board shall retain twenty-five dollars (\$25.00) as a processing fee.
 2. At the time of making application for a certificate of authority, the foreign or domestic LLC making such application shall pay to the Business Administration Board the sum of one hundred twenty-five dollars (\$125.00) as an initial license fee. Prior to the issuance of a certificate of authority, each foreign or domestic LLC shall pay to the Business Administration Board the sum of three hundred seventy-five dollars (\$375.00) as a license fee. Each certificate of authority shall be valid for one year from the date of issuance.
 3. Upon submitting an instrument extending or renewing LLC existence, an LLC shall pay to the Business Administration Board the sum of one hundred dollars (\$100.00).
 4. Upon submitting articles of dissolution, statement of intent to dissolve, statement of revocation of voluntary dissolution proceedings, or articles of merger, an LLC shall pay to the Business Administration Board the sum of fifty dollars (\$50.00).
 5. Upon submitting any other filing required or allowed under this chapter, an LCC shall pay to the Business Administration Board the sum of twenty-five dollars (\$25.00).
 6. All fees shall be nonrefundable unless otherwise provided herein.
- B. Service of Process Fees. When any foreign or domestic LLC organized under or authorized to transact business in said territories fails to appoint or maintain a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office, as shown by the return of the service of process, or whenever any LLC withdraws from Indian country or whenever the certificate of authority of any foreign or domestic LLC is revoked or cancelled, service may be made by delivering to and leaving with the Business Administration Board three copies thereof and a fee of twenty-five dollars (\$25.00), provided that, after a foreign or domestic LLC withdraws from Indian country, service upon the LLC may be pursuant to the provisions of this

Title 6 TRIBAL ENTERPRISES

section only when based upon the liability or obligation of the LLC incurred within Indian country by the LLC prior to the issuance of a certificate of withdrawal.

- C. Service of Process Fees for Foreign LLCs. If a foreign LLC makes a contract with a resident of Indian country to be performed in whole or in part by either party in Indian country or if a foreign or domestic LLC commits a tort in whole or in part in Indian country against a resident of Indian country, such acts shall be deemed to be doing business on territories under the jurisdiction of the Tribe by the LLC and shall be deemed equivalent to the appointment by the foreign or domestic LLC of the Business Administration Board to be its true and lawful attorney upon whom it may be served all lawful process in any action or proceedings against the foreign or domestic LLC arising from or growing out of contract or tort. Process shall be served in duplicate upon the board, together with a fee of twenty-five dollars (\$25.00), and the board shall mail one copy thereof to the LLC at its last known address and the LLC shall have ten (10) days within which to answer from the date of mailing, notwithstanding any other provision of law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign or domestic LLC that any process against it which is so served upon the board shall be of the same legal force and effect as if served personally on it within territories under the jurisdiction of the Tribe.
- D. Forfeitures. An LLC shall forfeit to the Tribe fifty dollars (\$50.00) for each day it neglects to keep any or all of the books or records as required by the Business Administration Board.
- E. Partial Waiver of Fees. The Tribe, a wholly owned enterprise of the Tribe, or any member of the Tribe who owns more than fifty (50) percent of an LLC shall be eligible for a waiver of fifty (50) percent of fees imposed under this chapter upon a showing of relevant proof.

(Res. 07-16 (part))

6.34.460 LLC contracts.

- A. LLC Contracts Preserved. Otherwise lawful contracts and other obligations of any LLC shall not be impaired by any subsequent action of the Tribe or its Tribal Council.
- B. No LLC may be voluntarily dissolved unless all contracts, debts and obligations of the LLC are satisfied.
- C. Actions to Impair LLC Contracts. Actions to restrain any attempts to impair contracts of LLCs, or to declare such actions null and void, shall be available to any interested party in the Tribal Court. If the Tribal Court finds for the plaintiff in any such action, it shall award treble damages, including all costs, attorney fees and disbursements. Nothing in this section shall be construed to restrict the general application of law or of this chapter to the acts and contracts of LLCs.

(Res. 07-16 (part))

6.34.470 Severability.

If any clause, sentence, paragraph, section or part of this chapter shall be found by the Tribe or a court of competent jurisdiction to be invalid or unconstitutional, such judgment or decree shall not affect, impair, invalidate or nullify the remainder of this chapter, but the effect thereof shall be confined to the clause, sentence, paragraph, section or part of this chapter as adjudged or decreed to be invalid or unconstitutional.

(Res. 07-16 (part))

6.34.480 Effective date.

This chapter shall be in full force and effect according to its terms from and after the date of its adoption by the Tribal Council. Any LLC doing business in Indian country prior to that date shall have

Title 6 TRIBAL ENTERPRISES

sixty (60) days from the effective date of this chapter to organize and obtain all licenses required under this chapter.

(Res. 07-16 (part))

6.34.490 Articles of organization for an LLC where the Tribe and/or its wholly owned enterprise(s) is the sole member.

ARTICLES OF ORGANIZATION

Limited Liability Company

Article 1.	Name of Limited Liability Company:
Article 2.	Street Address of the Initial Registered Office:
Article 3.	Name of the Initial Registered Agent at the above Registered Office:
Article 4.	Management of the Limited Liability Company shall be vested in:
	<input type="checkbox"/> a manager or managers
	OR
	<input type="checkbox"/> its member(s).
Article 5.	(Name of LLC) is wholly owned by:
	<input type="checkbox"/> the Squaxin Island Tribe
	_____ AND _____ OR

	<input type="checkbox"/> the following wholly-owned enterprise(s) of the Tribe:
Article 7.	Formation of this Limited Liability Company has been authorized by Resolution ;#rule;of the:

Title 6 TRIBAL ENTERPRISES

	() Squaxin Island Tribal Council
	_____ AND _____ OR

	() Board of Directors of the following wholly-owned enterprise(s) of the Tribe:

The LLC shall enjoy all of the sovereign immunity of the Squaxin Island Tribe, without limitation.

Name and complete address of organizer(s):

 _____ (Signature(s) of Organizer(s))

This document was drafted by _____.

Date:;daterule;

(Res. 07-16 (part))

6.34.500 Articles of operation for an LLC where the Tribe and/or its wholly owned enterprise(s) is the sole member.

ARTICLES OF OPERATION of [Name of LLC]

A Limited Liability Company Wholly-Owned by [enter "The Squaxin Island Tribe" and/or the names of the Tribe's wholly-owned enterprises]

These Articles of Operation are adopted by the [enter "The Squaxin Island Tribal Council" and/or the names of the appropriate enterprise board(s)] as of [date].

RECITALS

The [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] acknowledge the following:

1. The [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], on behalf of the [enter "Tribe" and/or the names of the appropriate enterprise board(s)], desires to form a limited liability company for the purpose of carrying on a for-profit [generally describe business] business.
2. The [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] desires to set forth in writing the terms by which the Company will be organized and operated.

**ARTICLE
DEFINITIONS, NAME AND TERM**

I

A. Definitions. In addition to the terms defined elsewhere in these Articles the following definitions shall apply:

1. "Articles" mean these Articles of Organization of the Company dated as of [date], as amended from time to time.

2. "Articles of Organization" mean the Articles of Organization of the Company filed with the Business Administration Board, as amended from time to time.

3. "Board" means the Board of Managers of the Company acting pursuant to the authority conferred upon them by these Articles.

4. "Cash Flow" means all cash receipts of the Company during any year, other than capital contributions of the [enter "The Squaxin Island Tribe" and/or the names of the Tribe's wholly-owned enterprises], less the sum payments of principal and interest on indebtedness of the Company (including working capital loans), all cash expenditures made in connection with the Company's business including, without limitation, capital expenditures, and all payments to Reserves to the extent such payments and expenditures are made from such cash receipts. Cash Flow shall be determined separately for each fiscal year.

5. "Company" means the [name of LLC], a Squaxin Island Tribe limited liability company.

6. "Fiscal Year" means the Company's fiscal year, which shall be [date] to [date].

7. "Manager(s)" means one or more of the persons appointed to manage the Company under Article III.

8. "Member" means the [enter "Tribe" or name of enterprise(s) as the sole Member of the Company.

9. "Ordinance" means the Squaxin Island Limited Liability Company Ordinance (SITC § 6.32), as amended from time to time, and any successor to such statute.

10. "Tribe" means the Squaxin Island Tribe.

11. "Profits and Losses" mean the income or loss of the Company determined in accordance with Generally Accepted Accounting Principles.

12. "Reserves" mean, with respect to any fiscal year, any funds set aside or amount allocated during such year to reserves for Company expenses, both ordinary and capital, liabilities and operations.

B. Formation. Effective [date], pursuant to Resolution [resolution #], [name of organizer(s)] organized the Company by executing and filing the Articles of Organization with the Business Administration Board pursuant to the Tribe's Limited Liability Company Ordinance.

C. Name and Principal Place of Business. The name of the Company is the [name of LLC]. The principal place of business of the Company is [address] or such other place as the Board designates from time to time.

D. Registered Office and Registered Agent. The Company's registered office is located at SE 3711 Old Olympic Highway and its registered agent at such address is the Squaxin Island Legal Department. The Company may change its registered office and/or registered agent from time to time as provided under the Act.

E. Term. The term of the Company shall be perpetual, or until the Company is dissolved or merged in accordance with the provisions of these Articles and/or the Ordinance.

**ARTICLE
BUSINESS OF THE COMPANY**

II

The business of the Company shall be:

Title 6 TRIBAL ENTERPRISES

- A. To (i) provide all manner and form of [describe business generally];
- B. To accomplish any lawful purpose which shall at any time appear conducive or expedient for the protection or benefit of the Company and its assets;
- C. To exercise all the powers necessary to or reasonably connected with the Company's business, which may be legally exercised by limited liability companies under the Ordinance; and
- D. To engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

ARTICLE MANAGERS

III

A. Authority of Managers. Except as otherwise provided in these Articles and subject to the consent or approval of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] with respect to those matters requiring such consent or approval under the terms of these Articles, the management of the Company shall be vested in the Board of Managers appointed in accordance with Section III(E) below. The Managers shall exercise their management authority over the Company as provided in these Articles.

B. Roles of Individual Managers.

1. In addition to their collective management responsibility, which shall be exercised as described in Section III(C) below, each Manager shall possess the particular authority and discharge the specific responsibilities as the Board may delegate to the individual Manager.

2. The authority and responsibility delegated among the Managers may include: (i) developing strategic plans; (ii) developing business plans and projections; (iii) formulating marketing programs; (iv) scheduling and supervision of the Company's work crews; (v) purchasing materials and supplies required to perform the Company's contracts; (vi) bidding individual work projects for the Company; (vii) keeping all financial and business records of the Company; (viii) making any and all filings and registrations required by jurisdictions outside of Indian country in which the Company operates; (ix) preparing reports and other communications with the [enter "Tribe" and/or the name(s) of the appropriate enterprise(s)]; and (x) taking such other administrative action as shall be required to operate the Company.

3. The Board shall choose a Chairperson and Chief Executive from among the Managers. The Chairperson shall have voting authority over all matters coming before the Board.

4. The Managers may delegate their responsibilities to officers or other personnel of the Company, but shall continue to be responsible for the discharge of the delegated authority. The Managers may serve as officers in addition to their positions as Managers.

C. Manager Meetings. The Managers shall meet at least monthly, and at the request of any of them, to (i) discuss their individual activities and responsibilities; (ii) by majority vote, to authorize major business actions, subject to [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] consent or approval where specifically required by these Articles; (iii) adopt projections and business plans; and (iv) review and monitor achievement of goals and objectives described in the Company's business plans and projections.

D. Business Plans and Projections. At least sixty (60) days before the commencement of each fiscal year of the Company, the Managers shall submit to the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], (i) a three (3) year strategic business plan; (ii) an operating business plan for the coming fiscal year; and (iii) financial projections for the coming fiscal year. After considering any comments on the proposed business plans and projections from the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], the business plans and projections will be finalized and shall be a guide and measure of Company performance for the following fiscal year. The Managers shall provide a quarterly report to the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] within thirty (30) days of the close of each fiscal quarter of the Company comparing actual and

projected results of operations, analyzing the performance of the business plan, and stating reasons for any material variance between actual and projected performance.

E. Appointment and Replacement of Managers. The Managers of the Company shall be appointed by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)]. Any Manager may be removed at any time by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], with or without cause, provided that a successor to such manager is appointed in accordance with this Section. Managers shall not serve for a specified term, and shall remain in office until they resign or are replaced. The initial number of Managers of the Company shall be three (3). Only such persons who have the experience and background to effectively manage the business and the affairs of the Company shall be appointed to the Board. The initial Managers of the Company are: [names and addresses].

**ARTICLE
CAPITAL**

IV

A. Initial Contributions to Capital by Members. On the date hereof, the [enter "Tribe" and/or name(s) of appropriate enterprise(s)] has contributed \$_____ in cash and property to the Company. The property transferred is listed on an inventory which has been approved by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] and accepted by the Board of Managers acting on behalf of the Company.

B. No Further Liability. The [enter "Tribe" and/or the names of the appropriate enterprise(s)] shall not be required to make any additional capital contributions, and the [enter "Tribe" and/or the names of the appropriate enterprise(s)] shall have no liability to creditors of the Company.

C. Working Capital Contributions and Loans. It is intended that the Company will operate separately from the [enter "Tribe" and/or the names of the appropriate enterprise(s)] and will not require continuing financial support from the [enter "Tribe" and/or the names of the appropriate enterprise(s)]. However, it may be necessary to obtain funding for working capital and/or capital acquisitions by the Company. If independent financing facilities are not available to the Company, the [enter "Tribe" and/or the names of the appropriate enterprise(s)] may provide such funding through loans or capital contributions on such terms and conditions as shall be agreed between the Managers on behalf of the Company and [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] on behalf of the [enter "Tribe" and/or the names of the appropriate enterprise(s)].

**ARTICLE
PROFITS AND LOSSES, DISTRIBUTIONS, CAPITAL ACCOUNTS**

V

A. Profits and Losses. All Profits and Losses shall be allocated to the [enter "Tribe" and/or the names of the appropriate enterprise(s)] as the sole Member.

B. Distributions Prior to Dissolution. All Cash Flow shall be distributed to the [enter "Tribe" and/or the names of the appropriate enterprise(s)], at least quarterly unless otherwise approved by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

C. Distribution upon Dissolution and Winding Up. Upon dissolution and winding up of the Company, the assets of the Company after payment of the debts and obligations of the Company and the funding of any Reserves shall be distributed to the [enter "Tribe" and/or the names of the appropriate enterprise(s)].

**ARTICLE
COMPENSATION TO MANAGERS, EMPLOYMENT POLICIES AND BENEFITS**

VI

A. Generally. Managers shall be entitled to reasonable and competitive compensation for services rendered to the Company, but only to the extent approved in advance by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

B. Reimbursement of Expenses. The Company shall reimburse the Managers and other employees for all out-of-pocket expenses they incur or have incurred on behalf of the Company or in connection with the business of the Company pursuant to policies approved in advance by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

C. Employment Policies and Benefits. The Company shall operate in accordance with such personnel policies and procedures and employee compensation and benefit plans as may be formulated by the managers and approved by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], as the same may be amended from time to time.

ARTICLE MANAGEMENT

VII

A. Management.

1. The business and affairs of the Company shall be managed by its Managers acting as set forth in this Article and in Article III subject to approval and consent of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] on those matters specified herein. Decisions relating to the business and affairs of the Company, other than those that are clearly routine or incidental to the day-to-day conduct of the Company's business, shall be made by majority vote of the Managers. The Managers are hereby authorized to take any action and make any decision with their areas of authority delegated to them by the Board pursuant to Section III(B) that is clearly routine or incidental to the day-to-day conduct of the Company's business. The following types of actions and decisions are not incidental to the day-to-day conduct of the Company's business and require the consent or approval of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)]: (i) selling, disposing of, or leasing the non-inventory assets of the Company having an aggregate value in excess of \$50,000; (ii) acquiring any real or personal property with a value in excess of \$50,000 other than building materials and supplies obtained in the ordinary course of the Company's business; (iii) incurring debt in excess of \$100,000; (iv) making any distributions other than ordinary quarterly distributions to the [enter "Tribe" and/or the names of the appropriate enterprise(s)]; (v) mortgaging, pledging, or otherwise encumbering any assets of the Company; (vi) amending the Articles of Organization; (vii) taking or authorizing any act on behalf of the Company that contravenes these Articles; (viii) taking or authorizing any such act which would make it impossible to carry on the ordinary business of the Company; (ix) granting any waiver of the sovereign immunity of the Company; or (x) taking or authorizing any other action or making any other decision requiring the consent or approval of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] as set forth in these Articles.

2. The Managers shall manage and control the business of the Company in accordance with generally accepted business standards and the provisions of Article III, and shall devote such time to the Company's business as shall be reasonably necessary.

3. The Managers shall not be liable, responsible, or accountable in damages or otherwise to the Company for any acts performed or omitted by them in good faith except for acts or omissions which constitute gross negligence or willful misconduct. The Managers shall be indemnified and held harmless by the Company, to the extent of the Company's assets, against obligations and liabilities arising or resulting from or incidental to the management of the Company's affairs, provided that no Manager shall be entitled to indemnification hereunder for acts or omissions constituting gross negligence or willful misconduct. Any such indemnification shall only be from the assets of the Company.

B. Restrictions on Powers of Managers. No Manager, attorney-in-fact, employee, or agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, to make distributions, or to render it liable for any purpose unless authorized to act with respect to such matter in accordance with this Article and Article III.

C. Meetings. No annual meeting of the Member is required by these Articles. Special meetings of the sole Member, for any purpose or purposes, unless otherwise prescribed by the Act, may be called at any time by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

D. Informal Action. The Managers may take any and all actions which they are required or permitted to take concerning the conduct of the business of the Company without a meeting if the action is evidenced by one or more written consents describing the action to be taken and signed by all of the managers.

E. Administrative and Professional Services. As an entity separate from the [enter "Tribe" and/or the names of the appropriate enterprise(s)], the Company shall either contract with independent professionals for accounting, legal, and other services which the Company may require; or may contract with the [enter "Tribe" and/or the names of the appropriate enterprise(s)] to obtain such services on such terms as shall be agreed between the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

**ARTICLE
ACCOUNTING AND BANK ACCOUNTS**

VIII

A. Books. The Company shall maintain books and records which shall be kept at the principal office of the Company or such other place designated by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)]. The [enter "Tribe" and/or the names of the appropriate enterprise(s)] as sole Member shall have access to and the right to inspect and copy such books and records at any time.

B. Accounting and Reports. Within sixty (60) days after the end of each fiscal year, the Managers shall deliver to the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], (i) an audited balance sheet as of the end of such fiscal year and (ii) an audited statement of income for such fiscal year, both of which shall be prepared in accordance with Generally Accepted Accounting Principles.

C. Bank Accounts. The Company shall open and maintain bank accounts in which only funds of the Company shall be deposited. The funds in such accounts shall be disbursed solely for the business of the Company. Withdrawals from any Company bank account shall be made only upon the signature of such person or persons as the Managers may designate from time to time.

D. Method of Accounting. The books and records of the Company shall be maintained on the accrual method of accounting in accordance with Generally Accepted Accounting Principles.

**ARTICLE
DISSOLUTION AND WINDING UP**

IX

A. Dissolution. The Company shall dissolve on the happening of any of the following events:

1. Written direction of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] to dissolve the Company; or
2. By decree of judicial dissolution of the Squaxin Island Tribal Court pursuant to the Ordinance.

B. Procedure for Dissolution and Winding Up. Upon the dissolution of the Company, a balance sheet shall be prepared by the Company's accountant and furnished to the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] within a reasonable time after dissolution. The Managers shall proceed with reasonable promptness to wind up the business of the Company. If the Managers are directed by the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)] to sell Company assets, they shall not be required to do so promptly but shall have discretion to determine the time and manner in which the sale shall be made, giving due regard to general financial and economic conditions.

C. Articles of Dissolution. Upon completion of winding up, liquidation, and distribution of assets, the Managers shall file Articles of Dissolution and thereafter the Company shall cease to exist.

**ARTICLE
SOVEREIGN IMMUNITY**

X

The Company shall enjoy all of the sovereign immunity of the Squaxin Island Tribe without limitation. No waiver of the sovereign immunity of the Company shall be effective except with the express written

consent of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)]. In no case may the Company waive the sovereign immunity of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], or any other entity other the Company itself.

ARTICLE XI MISCELLANEOUS

A. Notices. All notices shall be in writing and deemed given when deposited in the United States Mail, first class postage paid, addressed to the party at his/her then recorded address reflected in the records of the Company.

B. Entire Operating Document. These Articles contain the entire statement of the terms and conditions upon which the Company shall be organized and operated and supersedes any prior acts or statements with respect thereto.

C. Variations and Pronouns. Each pronoun shall include any gender or number thereof as the identity of its antecedent may require.

D. Successors in Interest. Except as otherwise provided, all provisions of these Articles shall be binding upon, inure to the benefit of and be enforceable by and against the respective heirs, executors, administrators, personal representatives, successors, and assigns of any of the parties affected.

E. Execution of Additional Documents. The Managers are authorized to execute and deliver such instruments necessary to comply with any laws, rules, or regulations relating to the formation of the Company or the conduct of business by the Company in any jurisdiction outside of Indian country.

F. Jurisdiction. The Squaxin Island Tribal Court shall possess exclusive jurisdiction over all matters and controversies regarding the interpretation and implementation of these Articles which may arise.

G. Counterparts. These Articles may be executed in several counterparts by the [enter "Chair" or "President"] of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)], and each executed counterpart shall be considered an original of these Articles.

H. Captions. The captions at the beginning of the several articles, sections, and subsections of these Articles are not part of the context, but are merely labels to assist in the locating and reading of those sections and subsections and shall be ignored in construing these Articles.

I. Governing Law. These Articles shall be governed exclusively by its terms and by the laws of the Squaxin Island Tribe and specifically this Ordinance.

J. Severability. If any provision of these Articles shall be invalid, illegal, or unenforceable, the remainder of these Articles shall be enforceable to the fullest extent permitted by law. In addition, any provision of these Articles, which is construed to cause the Company to be taxed as a corporation under the federal tax law shall be repealed, limited, or construed in a manner which will allow the Company to qualify as an entity which is not treated as separate from its owner, the [enter "Tribe" and/or the names of the appropriate enterprise(s)], for federal tax purposes.

K. Creditors. None of the provisions of these Articles shall be for the benefit of or enforceable by any creditors of the Company.

**ARTICLE XI
AMENDMENTS**

These Articles may be amended only by the written action of the [enter "Tribal Council" and/or the names of the appropriate enterprise board(s)].

APPROVED: _____

[Enter "Chair" or "President"]

[Enter "Tribal Council" and/or the names of the appropriate enterprise board(s)]

[Notary signature]

(Res. 07-16 (part))

Chapter 6.36 BUSINESS PERMIT ORDINANCE

Sections:

[6.36.010 Title.](#)

[6.36.020 Authority.](#)

[6.36.030 Definitions.](#)

[6.36.040 Fees.](#)

[6.36.050 Applicability.](#)

[6.36.060 Application for business permit.](#)

[6.36.070 Noncompliance—Sanctions—Remedies.](#)

[6.36.080 Miscellaneous provisions.](#)

6.36.010 Title.

This chapter shall be known as the "Squaxin Island Tribe Business Permit Ordinance."

(Res. 99-80 (part))

6.36.020 Authority.

This chapter is enacted by the Tribal Council of the Squaxin Island Tribe under the Tribe's inherent rights of sovereignty and the authority vested in said Tribal Council by the Squaxin Island Tribe Constitution and Bylaws. The Tribal Council reserves the right to repeal or amend the provisions of this chapter provided that such action to repeal or amend is approved upon a finding by the Tribal Council on an action for declaratory judgment that such amendment or repeal is in the best interests of the Tribe. A business issued a business permit under and governed by this chapter is subject to this reserved right.

(Res. 99-80 (part))

6.36.030 Definitions.

For the purposes of this chapter, unless the context otherwise requires:

"Business Administration Board" has the meaning set forth in Chapter 6.24 of the Squaxin Island Tribal Code.

"Business permit" means a permit to do business in Indian country, issued pursuant to this chapter.

"Domestic corporation" means any corporation, for-profit or not-for-profit, organized under and subject to Chapter 6.28 or Chapter 6.32 of the Squaxin Island Tribal Code.

"Foreign corporation" means a corporation, for-profit or not-for-profit, organized under laws other than the laws of the Tribe.

Title 6 TRIBAL ENTERPRISES

"General Counsel" means the general counsel to the Tribe.

"Indian country," consistent with the meaning give in 18 U.S.C. 1151, means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and
2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal Member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Ordinance" means the Squaxin Island Tribe Business Permit Ordinance.

"Reservation" means the territory within the exterior boundaries of the Squaxin Island Indian Reservation, and such other lands without those boundaries as may have been or may hereafter be added to the reservation or held in trust for the Tribe under any law of the United States or otherwise.

"Tribe" means the Squaxin Island Tribe.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.36.040 Fees.

Each application shall be accompanied by a twenty-five dollar (\$25.00) payment which shall constitute the business permit fee.

(Res. 99-80 (part))

6.36.050 Applicability.

A. Entities Required to Obtain Permit—Exemptions. The following shall be required to apply for a business permit pursuant to the provisions of this chapter:

1. Every entity, including, but not limited to, an individual, a group of individuals, a sole proprietorship, partnership, association or joint venture which, prior to the effective date of this code, was engaged in a trade, business or profession, or commercial activity of any sort, in Indian country shall, prior to September 30, 1999 and prior to December 1st each calendar year thereafter, file with the Business Administration Board an application for a business permit which, upon issuance, shall entitle such entity to engage in the kind(s) of business activity at the location(s) listed in the application.
2. Every entity, including, but not limited to, an individual, a group of individuals, a sole proprietorship, partnership, association or joint venture, intending to engage in a trade, business, profession or commercial activity of any sort in Indian country, but which was not engaged in such activity prior to August 26, 1999, shall, prior to commencing business in Indian country and prior to December 1st of each calendar year thereafter, file with the Business Administration Board an application for a business permit which, upon issuance, shall entitle said entity to engage in the kind(s) of business activity at the location(s) listed in the application.
3. No business permit shall be required of any person engaged in: the ministry of healing by purely spiritual means or other religious activity; only in harvest of natural resources pursuant to a treaty right; or the operation of a firework stand.
4. No officer or employee of any government and no individual in private or public employment who is compensated for services performed by him or her as an employee by his or her employer shall, for such employment, be required to obtain a business permit; in the case of a partnership, association or joint venture, no business permit shall be required of any partner, associate or joint venturer who does not, apart from such partnership, association or joint

Title 6 TRIBAL ENTERPRISES

venture, individually engage in or conduct a trade, business or professional activity of the partnership, association or joint venture in Indian country.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.36.060 Application for business permit.

- A. Contents—Proof of Compliance. Within ten (10) working days after receipt of an application and the fee for any business which is legal under tribal and other applicable law, the Business Administration Board shall issue to said applicant a business permit to engage in business activity in Indian country. Said business permit shall indicate the kind(s) and location(s) of business activity for which the said entity has been licensed.
- B. Exceptions. Notwithstanding subsection A of this section, no business permit shall be granted to any entity until it has presented proof to the Business Administration Board that it has complied with all tribal requirements established as conditions of commencing business in Indian country, including, but not limited to, the following:
 - 1. Pursuant to any contract and employment preference codes, evidence that the entity has submitted to the appropriate tribal enforcing agency the compliance plans, if any, required by those ordinances and has had such plans approved by the enforcing agency(s);
 - 2. Pursuant to any other requirements established by the Tribal Council to protect the health, safety, and welfare of the Tribe and its members, evidence that the entity has met the requirements to the satisfaction of the Tribal Council.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.36.070 Noncompliance—Sanctions—Remedies.

- A. Failure to Apply for Permit. An entity doing business in Indian country which fails to obtain a business permit as provided in this chapter shall:
 - 1. Immediately obtain such a business permit and pay the requisite fee;
 - 2. Be fined fifty dollars (\$50.00) per day for each day it operated in Indian country without a business permit, unless good cause is shown to the Business Administration Board as to why such a business permit had not been obtained in a timely manner.
- B. Sanctions.
 - 1. Any entity doing business in Indian country without a business permit which fails to obtain a business permit within the time period required by the Business Administration Board as provided in Section 6.36.060 of this chapter, or any entity whose business permit has been revoked by any court or agency of competent jurisdiction pursuant to any provision of this chapter or any other tribal law, shall immediately cease to carry out business in Indian country; provide that, upon a showing of good cause, the Business Administration Board or the Tribal Court may grant the entity a reasonable period during which to conclude its business so long as, during that time, the continuation of such business does not endanger the health, safety or welfare of the Tribe or its members.
 - 2. If the Business Administration Board becomes aware that an entity is conducting business in Indian country without a business permit, it shall deliver, by hand, notice to the entity informing it that it is operating in Indian country in violation of this chapter and that such entity shall, within two days, apply for such a business permit and pay such fines as are indicated in the notice. However, where the Business Administration Board has reason to believe that the health, safety or welfare of residents in Indian country is endangered by the continuation of such business activity, or that the business activity cannot be conducted in compliance with tribal or other

Title 6 TRIBAL ENTERPRISES

applicable law, the Business Administration Board may order such business to terminate all business activity until it has obtained a business permit.

3. Notwithstanding subsection (B)(1) of this section, where the Business Administration Board has good faith belief that an entity applying for a business permit pursuant to this chapter shall, if permitted to commence business in Indian country, present a danger to the health, safety or welfare of residents of Indian country, or would be in violation of tribal or other applicable law, the Business Administration Board shall, within ten (10) working days, provide said entity with a written notice setting out the reasons it believes the entity presents such a danger and noticing a date for administrative hearing, such hearing to be held not later than ten (10) days after the delivery of said notice. At such hearing, the entity shall be given an opportunity to demonstrate that its business activity does not present a danger to the health, safety or welfare of the residents of Indian country or would not violate tribal or other applicable law. The Business Administration Board shall establish necessary procedures for such hearing that comply with the requirements of due process. However, the formal rules of evidence shall not apply. If the Business Administration Board finds, by a preponderance of the evidence, that a danger does exist, it shall, within two days, so notify such entity, in writing, stating the reasons for such finding. Said entity may appeal the Business Administration Board's decision to the Tribal Court, and shall be entitled to an expedited hearing on the matter. If the Business Administration Board finds there is no danger, it shall cause to be issued, within two days and upon payment of all required fees, a business permit to said entity.
4. If an entity doing business in Indian country that has been directed by the Business Administration Board or the Tribal Court to cease doing business in Indian country, either pursuant to subsection B of this section or pursuant to the revocation of its business permit under any other tribal law, fails to comply, the Business Administration Board shall petition the Tribal Court for, or the Tribal Court on its own motion shall issue, a show cause order as to why said business shall not be excluded from Indian country. Where the Business Administration Board alleges that the business presents a danger to the health, safety or welfare of residents of Indian country or cannot be conducted in compliance with tribal or other applicable law, the Tribal Court shall hold an expedited hearing. If said entity fails to appear or fails to show good cause, the Tribal Court shall order the public safety department to take appropriate action:
 - a. Where the person or persons engaging in business are not members of the Tribe, the Court shall order the public safety department to physically remove all such persons from Indian country along with any personal property used in the conduct of said business that can be removed without causing permanent damage to it. For property which cannot be feasibly so removed, such as a building, the Court shall order, and the public safety department shall implement, the incapacitation of said property by padlocking or other nondestructive means so that it can no longer be used carry out business.
 - b. Where the person or persons doing business in violation of this chapter are tribal members, they shall be prosecuted for criminal contempt of court, and all personal property used in the conduct of said business shall be impounded, padlocked or otherwise incapacitated by nondestructive means so that it cannot be used to carry out any further business in Indian country. A corporation, partnership or other entity shall be considered a tribal member for purposes of this section only if fifty-one (51) percent or more of the entity is owned by tribal members.
5. An entity may recover all such property incapacitated or impounded under this chapter by paying to the Tribe the costs incurred by the Tribe in carrying out these legal proceedings as well as a fine of five hundred dollars (\$500.00) per day for each day that has passed since it was ordered by the Business Administration Board or the Tribal Court to obtain the business permit or to cease business activities, except that cigarettes possessed for resale, illegal drugs, and other items which the entity may not legally possess shall not be returned but shall be disposed of by the Tribe as appropriate.
6. An entity excluded or incapacitated under this provision shall be granted a new business permit to engage in business activity in Indian country only if:

Title 6 TRIBAL ENTERPRISES

- a. No less than six months have passed since the date of the exclusion order;
- b. The entity has paid all costs incurred by the Tribe in carrying out the exclusion or incapacitation and has paid such fine as the Tribal Court deems appropriate, but not to exceed fifty-thousand dollars (\$50,000.00);
- c. Notwithstanding the provisions of subsections (B)(6)(a) and (b) of this section, the Business Administration Board or the Tribal Court may, for good cause, deny such an entity a new business permit, may attach such conditions as are appropriate upon the granting of a new business permit, or may waive or mitigate the provisions of subsections (B)(6)(a) and/or (b) of this section.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

6.36.080 Miscellaneous provisions.

- A. Posting of Business Permits. Every entity issued a business permit pursuant to this chapter shall post it in a conspicuous place at the business location listed on the business permit or, if it lists more than one location, it shall post a notice indicating the location at which the business permit is posted.
- B. Expiration of Business Permit. All business permits issued under this chapter shall remain in effect for the duration of the calendar year for which issued, unless revoked as provided in this chapter or under the provisions of any other tribal law, and shall expire at midnight on the 31st day of December each year.
- C. Not Transferable. No business permit may be transferred to any other party.
- D. Delivery of Notice. Where notice to cease business is issued by the Business Administration Board, it shall be hand-delivered to the business entity by an employee or other agent of the Business Administration Board. If hand-delivery cannot reasonably be achieved, the Business Administration Board may post the notice at the business location in Indian country, and such posting shall be deemed effective as if hand-delivery had occurred.
- E. Application Form. A copy of the business permit application form may be obtained during regular business hours at the office of the Business Administration Board. The business permit required to be obtained under the provisions of this subsection shall be in addition to all other permit fees and permits required by law.

(Res. 07-16 (part); Res. 04-05 (part); Res. 99-80 (part))

**APPLICATION FOR A PERMIT
TO DO BUSINESS IN INDIAN COUNTRY**

For Calendar Year

- 1. Name of Business: _____
- 2. Form of Business (corporation, partnership, sole proprietorship, other): _____

- 3. If corporation, where registered: _____
- 4. Business location(s) (give complete street address for each location): _____

- 5. Business telephone(s): _____
- 6. Kind(s) of business conducted: _____

Title 6 TRIBAL ENTERPRISES

7. Owner(s): _____	Tribal Member: Yes _____ No _____
_____	Tribal Member: Yes _____ No _____
_____	Tribal Member: Yes _____ No _____
_____	Tribal Member: Yes _____ No _____

If a corporation or partnership, list all shareholders or partners:

8. Address(es) of Owner(s): _____

9. Number of employees during prior calendar year:

Year: ;#rule; Indians: ;#rule; Non-Indians: ;#rule;

10. Gross sales for prior calendar year: \$_____.

11. If a Foreign Corporation, name of statutory agent in Indian country (statutory agent shall be a resident of Indian country):

Name: _____

Address: _____

Telephone: _____

12. If the applicant will engage in any contracting or subcontracting activity, has a contractor/subcontractor Indian preference plan for complying with the Tribe's contract preference ordinance been submitted to the Tribe?

Yes ;#rule; No;#rule;

Has it been approved?

Yes _____ (approval attached) No _____ N/A _____

No Business Permit will be granted until a plan has been submitted and approved. Proof of approval should be submitted with this application.

13. Has the applicant submitted a plan to the Tribe for complying with the Tribe's Indian employment preference ordinance?

Yes;#rule; (approval attached) No;#rule;

Title 6 TRIBAL ENTERPRISES

I hereby certify that the information provided in this application is true and complete to the best of my knowledge and belief. I further hereby certify that I have read the applicable ordinances or the Squaxin Island Tribe, and do hereby submit to the jurisdiction of the Squaxin Island Tribe and Squaxin Island Tribal Court provided for therein.

_____	;
Signature of Authorized Official	Date

Typed name and title of signer.

Chapter 6.40 TOBACCO PRODUCTS TAX

Sections:

- [6.40.010 Tax imposed.](#)
- [6.40.020 Tax amount.](#)
- [6.40.030 Remittance.](#)
- [6.40.040 Tax credit.](#)
- [6.40.050 Definitions.](#)
- [6.40.060 Tax dedicated.](#)
- [6.40.070 Implementation.](#)

6.40.010 Tax imposed.

There shall be levied and collected a tax on the privilege of doing business in Indian country as a wholesaler of tobacco products.

(Res. No. 11-67, § 1, 10-7-11)

6.40.020 Tax amount.

The tax imposed under Section 6.40.010 of this chapter shall be in the amount of 3.6 percent of the taxpayer's gross proceeds of sales.

(Res. No. 11-67, § 2, 10-7-11)

6.40.030 Remittance.

The tax imposed under Section 6.40.010 of this chapter shall be remitted quarterly on or before the twentieth day following the end of the calendar quarter.

(Res. No. 11-67, § 3, 10-7-11)

6.40.040 Tax credit.

There may be credited against the tax imposed by this chapter the amount of any tax imposed on the taxpayer by another jurisdiction on the privilege of doing business as a wholesaler of tobacco products and measured by gross proceeds of the same sales.

(Res. No. 11-67, § 4, 10-7-11)

6.40.050 Definitions.

The following definitions shall apply to this chapter unless the context clearly requires otherwise:

"Gross proceeds of sales" means the value proceeding or accruing from the wholesale sale of tobacco products, to the extent such sales originate or terminate within Indian country, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

"Indian country" shall have the same meaning as provided under Section 6.15.040 of the Squaxin Island Tribal Code.

"Taxpayer" means any person or entity making wholesale sales of tobacco products and maintaining a physical place of business within Indian country, except "taxpayer" shall not include a federally licensed manufacturer of tobacco products.

"Tobacco products" means all products made from tobacco in part or in whole and intended for human use, but does not include cigarettes as defined under 26 U.S.C. Section 5702.

(Res. No. 11-67, § 5, 10-7-11)

6.40.060 Tax dedicated.

The tax imposed under this chapter shall be dedicated to economic development purposes and implemented through Section 2.36.095(C).

(Res. No. 11-67, § 6, 10-7-11)

6.40.070 Implementation.

The Squaxin Island Tribal Council or its designee may adopt such forms, rules, and procedures as may be necessary or appropriate to the proper implementation of this chapter.

(Res. No. 11-67, § 1, 10-7-11)

Chapter 6.44 LIQUOR TAX

Sections:

[6.44.010 Tax levied.](#)

[6.44.020 Credit against tax.](#)

[6.44.030 Payment/collection of tax.](#)

[6.44.040 Taxes due.](#)

[6.44.050 Rules—Forms.](#)

[6.44.060 Obligations.](#)

6.44.010 Tax levied.

- A. There is levied and collected a tax upon each sale of spirits in the original package to a consumer at the rate of twenty and one-half (20½) percent of the selling price.
- B. There is levied and collected a tax upon each sale of spirits in the original package to a consumer at the rate \$3.7708 per liter.
- C. There is levied and collected a tax upon each sale of spirits to a person authorized to sell spirits by the drink at the rate of thirteen and seven-tenths (137/10) percent of the selling price.
- D. There is levied and collected a tax upon each sale of spirits to a person authorized to sell spirits by the drink at the rate of \$2.4408 per liter.
- E. For the purposes of this section, "selling price" means the total amount of consideration received by the seller, exclusive of the taxes collected under this section.

(Res. No. 12-36, § 1, 5-24-12)

6.44.020 Credit against tax.

There shall be allowed as a credit against the tax due under this chapter any liquor tax lawfully owed and paid another jurisdiction with respect to the same sale.

(Res. No. 12-36, § 2, 5-24-12)

6.44.030 Payment/collection of tax.

The taxes imposed under this chapter must be paid by the buyer to the seller, and each seller must collect from the buyer the full amount of the tax payable in respect to each taxable sale under this chapter. Where a buyer has failed to pay to the seller the tax imposed by this chapter and the seller has not paid the amount of the tax to the Tribe, the Tribe may, in its discretion, proceed directly against the buyer for collection of the tax.

(Res. No. 12-36, § 3, 5-24-12)

6.44.040 Taxes due.

All taxes collected under this chapter during any month must be paid to the Tribe on or before the twenty-fifth (25th) day of the following month.

(Res. No. 12-36, § 4, 5-24-12)

6.44.050 Rules—Forms.

The Tribe may, in its discretion, adopt such rules and issue such forms as may [be] necessary or desirable to the administration of this chapter.

(Res. No. 12-36, § 5, 5-24-12)

6.44.060 Obligations.

The obligations imposed under this chapter shall apply to the full extent of the Squaxin Island Tribe's jurisdiction in Indian country.

(Res. No. 12-36, § 6, 5-24-12)