



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 07-16 Of the SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises, and its agencies by authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and with protecting and managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council finds that regulation of business activities on all lands within the jurisdiction of the Squaxin Island Tribe is essential to the health and welfare of the Squaxin Island Tribe and its members; and

WHEREAS, the Squaxin Island Tribal Council further finds that the Squaxin Island Tribe's business ordinances should be revised to permit the formation of limited liability companies and to make other revisions;

NOW THEREFORE BE IT RESOLVED, adopts the Limited Liability Company Ordinance as attached (Chapter 6.34); and

NOW THEREFORE BE IT FURTHER RESOLVED, that the Corporate Administration Board shall be renamed the "Business Administration Board" and that the term "Corporate




Administration Board” shall be revised to read “Business Administration Board” wherever that term may appear in any of the Tribe’s previously adopted business ordinances (Chapters 6.24, 6.28, 6.32, and 6.36); and

NOW THEREFORE BE IT FURTHER RESOLVED, that the following sentence shall be inserted at the beginning of the first paragraph of Section 6.28.100 of the Tribal Code: “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.” and


NOW THEREFORE BE IT FINALLY RESOLVED, that the following sentence shall be inserted at the beginning of the first paragraph of Section 6.32.140 of the Tribal Code: “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.”

CERTIFICATION


The Squaxin Island Tribal Council does hereby certify that the foregoing Resolution was adopted at a regular meeting of the Squaxin Island Tribal Council, held on this 8th day of Feb, 2007 at which time a quorum was present and was passed by a vote of 3 for and 0 against with 0 abstentions.



Jim Peters, Chairman

Attested by: 

Vince Henry, Sr., Secretary



Andy Whitener, Vice Chairman

CHAPTER 6.34

LIMITED LIABILITY COMPANY ORDINANCE

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6.34.010 Title.

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

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.

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.

“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.

“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.

“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.

“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 percent (50%) 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.

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.

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.

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.

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.

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;
- 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.

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 6.34.090 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;

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.

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:

- 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.

6.34.110 Agency power of members and managers.

A. Except as provided in subsection (B), below:

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 the 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 the business of the LLC shall bind the LLC unless in fact authorized at the of the transaction or at any other time.

6.34.120 Admissions of members and managers.

A. Except as provided in subsection (B) below, 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.

6.34.130 Knowledge of or notice to member or manager.

A. Except as provided in subsection (B), below, notice to any member of any matter relating to the business of a 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.

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.

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.

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.

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.

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.

6.34.190 Limitation of liability and indemnification.

A. In this section, "expenses" mean 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) above, 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), above, 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.

6.34.200 Voting.

A. Unless otherwise provided in articles of operation or this chapter, and subject to subsection (B), below, 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 a LLC is vested in one or more managers, the affirmative, vote, consent, or approval of more than fifty percent (50%) 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 total contributions made to the LLC for purposes of determining the fifty percent (50%) 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 50% 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.

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.

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.

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;
 - 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 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 a 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.

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.

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.

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.

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.

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) above on any of the following:

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 a LLC's property that is created to secure the indebtedness to the member.

6.34.290 Liability for wrongful distribution.

A. Except as provided in subsection (B) below 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 (2) years after the date on which the effect of the distribution was measured under section 6.34.280.

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.

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.
5. Unless and until the assignee of an LLC interest becomes a member of 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.

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.

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.

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.

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;
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) below.

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:

- 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) above, or of all its members if subject to subsection (C) above, 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;

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 ordinance, 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.

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.

C. 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.

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 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 a 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 (5) 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.

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;
- 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.

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) above 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) above may be enforced:

- 1. Against the dissolved LLC, to the extent of its undistributed assets;
- b. 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.

6.34.400 Merger

A. Unless the context requires otherwise, in sections 6.34.400, .410, .420 and .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) above.

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.

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) above.

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.

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 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.

6.34.430 Right to object.

Unless otherwise provided in articles of operation, upon receipt of the notice required by subsection 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 subsection 6.34.230(C) and receive fair value for the member's LLC interest under subsection 6.34.270(D).

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 this ordinance.

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 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 the 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 ordinance, 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;
- 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.

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 6.34.440, 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.

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 LLC 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 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 percent (50%) of an LLC shall be eligible for a waiver of fifty percent (50%) of fees imposed under this chapter upon a showing of relevant proof.

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 6.34.460 shall be construed to restrict the general application of law or of this ordinance to the acts and contracts of LLCs.

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.

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

6.34.440 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:

a manager or managers

OR

its member(s).

Article 5. (Name of LLC) is wholly owned by:

the Squaxin Island Tribe

___ AND ___ OR

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

Article 7. Formation of this Limited Liability Company has been authorized by Resolution _____ of the:

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: _____

6.34.450 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 I
DEFINITIONS, NAME AND TERM**

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 II BUSINESS OF THE COMPANY

The business of the Company shall be:

- 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 III

MANAGERS

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 IV CAPITAL

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 V
PROFITS AND LOSSES, DISTRIBUTIONS, CAPITAL ACCOUNTS**

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 VI
COMPENSATION TO MANAGERS, EMPLOYMENT POLICIES AND BENEFITS**

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 VII
MANAGEMENT**

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

take 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 VIII ACCOUNTING AND BANK ACCOUNTS

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 IX DISSOLUTION AND WINDING UP

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 X SOVEREIGN IMMUNITY

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 the 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]