

**TITLE 45. LIMITED LIABILITY COMPANY LAW**

**CHAPTER 1. GENERAL PROVISIONS**

45 M.P.T.L. ch. 1 § 1

**§ 1. Citation**

This law shall be known and cited as the "Mashantucket Pequot Limited Liability Company Law."

45 M.P.T.L. ch. 1 § 2

**§ 2. Purpose**

This law permits the formation of Limited Liability Companies under Tribal Law and regulates such companies so as to promote growth and further the exercise of tribal sovereignty over the lands of the Tribe's Reservation.

45 M.P.T.L. ch. 1 § 3

**§ 3. Sovereign Immunity**

Nothing herein shall be construed as a waiver of the sovereign immunity of the Tribe. The Tribe does not consent to suit in any court, federal, tribal or state, and neither the adoption of this Law, nor the incorporation of any limited liability company by the Tribe under this Law, shall by itself be construed to be a waiver of the sovereign immunity of the Tribe or a consent to suit against the Tribe in any court. The Tribal Council may, in its discretion, issue a limited waiver of sovereign immunity to an entity or subsidiary of such entity formed by the Tribe under this law.

45 M.P.T.L. ch. 1 § 4

**§ 4. Applicable Law**

The companies organized and created under this Law shall be subject to this Law, and all other laws of this Tribe. By organizing and creating a company under this Law, the company and its owners shall be considered to have entered into a consensual relationship with the Tribe and agree to be subject to the full extent of the Tribe's legislative, regulatory, and adjudicatory jurisdiction.

45 M.P.T.L. ch. 1 § 5

**§ 5. Tribal Clerk's Duties and Functions**

a. The Tribal Clerk is charged with the administration and enforcement of this law.

b. Every certificate and other document or paper executed by the Tribal Clerk, in pursuance of any authority conferred upon the Tribal Clerk by this law, shall be sealed with the seal of the Tribe, and all copies of such papers as well as documents and other papers filed in accordance with the provisions of this law, when certified by the Tribal Clerk and authenticated by said seal, shall have the same force and effect as evidence as would the

originals thereof in any action or proceeding in any court and before a public officer or official body.

c. The Tribal Clerk is authorized to promulgate, upon the review and approval of the Tribal Council, regulations to effectuate the policies and purposes of this law.

45 M.P.T.L. ch. 1 § 6

## **§ 6. Definitions**

As used in this law, the following words and phrases shall have the following meanings:

a. "Articles of Organization" means the original Articles of Organization filed under this law and all amendments thereto or alterations and restatements thereof.

b. "Business" means every trade, occupation, or profession of every variety or type.

c. "Certificate of Compliance" means the document issued by the Office of Legal Counsel, or other office as designated by Tribal Council, upon an investigation and determination that the form and content of the documents to be filed with the Tribal Clerk complies with the requirements of this law.

d. "Court" means the Mashantucket Pequot Tribal Court.

e. "Distribution" means a direct or indirect transfer of money or other property or the incurrence of indebtedness by a Limited Liability Company to or for the benefit of its members or assignees of its members in respect of the members' membership interests.

f. "Foreign Limited Liability Company" means an unincorporated entity formed under the law of a jurisdiction other than this Tribe and denominated by that law as a limited liability company.

g. "Limited Liability Company" or "Company" means a Limited Liability Company organized under this law.

h. "Membership Interest" means a member's rights in the Limited Liability Company, including, but not limited to, any right to receive distributions of the Company's assets and any right to vote or participate.

i. "Operating Agreement" means any written agreement as to the conduct of the Business and affairs of a Limited Liability Company which is initially signed by and binding upon all of its members.

j. "Person" means any natural person, corporation, Limited Liability Company, other Business entity, or any government and its political subdivisions.

k. "Principal Place of Business" means the place where the Limited Liability Company directs, controls, and coordinates activities of the Company.

l. "Registered Agent" means a business or individual designated to receive service of process when a limited liability company organized under this Law is a party in a legal action.

m. "Registered Office" means the physical location where the Registered Agent of a LLC can receive legal papers for the company.

n. "Reservation" means the Mashantucket (Western) Pequot Reservation, as that term is defined in 25 U.S.C. § 1752(7) together with any lands held by the United States government in trust for the Tribe or any other area subject to the Tribe's jurisdiction.

o. "Successor Limited Liability Company" or "Successor Company" means the surviving Limited Liability Company existing pursuant to a merger of two or more Limited Liability Companies or other Business entities.

p. "Tribal Clerk" means the Tribal Clerk of the Tribe, or any staff within the office of the Tribal Clerk to whom responsibilities under this law have been delegated.

q. "Tribal Council" means the governing body of the Mashantucket Pequot Tribal Nation pursuant to Article VI of the Mashantucket Pequot Tribe's Constitution and By-Laws.

r. "Tribal" means related to the Mashantucket Pequot Tribal Nation.

s. "Tribal Entity(ies)" means any arm, agency, enterprise or organization that is wholly owned by the Tribe.

t. "Tribal law" means the Mashantucket Pequot Tribal Laws.

u. "Tribe" means the Mashantucket Pequot Tribal Nation, the Mashantucket Pequot Gaming Enterprise, and their subdivisions.

45 M.P.T.L. ch. 1 § 7

#### **§ 7. Execution of Documents**

Unless otherwise specified in this law, each certificate or report required by this law to be filed with the Tribal Clerk shall be executed in the following manner:

- (1) in the case of the initial Articles of Organization, one or more Persons organizing the Limited Liability Company shall sign the original Articles of Organization as organizers. The Articles of Organization shall state the names of the organizers beneath or opposite their signatures;
- (2) any document, other than the original Articles of Organization or an amendment thereto, required or permitted to be filed under this law shall be signed by at least one manager, or at least one member if the Limited Liability Company is managed by its members, subject to any restriction or requirement in the Operating Agreement or Articles of Organization; and
- (3) a Person may sign a document under this section as an authorized agent of a Limited Liability Company. If the authorization is pursuant to a power of attorney, the power of attorney must be filed with the Tribal Clerk.

45 M.P.T.L. ch. 1 § 8

**§ 8. Filing of Documents**

a. All documents required or permitted to be filed under this law shall be filed with the Tribal Clerk in duplicate. The documents to be filed shall be executed as provided in §7, or be true copies made by photographic, xerographic, electronic, or other process that provides a true copy of a document that has been properly executed.

b. Unless a Certificate of Compliance accompanies the documents to be filed, the Tribal Clerk shall not accept documents for filing under this law.

c. Upon receipt of the Certificate of Compliance and accompanying documents and the filing fees established hereunder, the Tribal Clerk shall:

- (1) place a stamp or seal on both copies indicating the time, day, month, and year of the filing, the name of the Tribal Clerk, the signature of the Tribal Clerk, and the Tribal Clerk's seal, or facsimiles of them;
- (2) file one copy in the Tribal Clerk's office; and
- (3) return a copy to the Person who filed it or as directed by the Person who filed it.

45 M.P.T.L. ch. 1 § 9

**§ 9. Filing Fees**

a. The Tribal Clerk shall develop and publish a schedule of filing fees.

b. The Tribal Clerk shall not file any articles, statements, certificates, reports, applications, notice or other papers relating to any Company organized under the provisions of this law until all fees have been paid or while the Company is in default in the payment of any fees, charges or sanctions. Nothing in this section shall prevent the filing, without the payment of such fees, charges and sanctions, of a written notice of resignation by a Registered Agent of a Company.

c. No Company required to pay a fee, charge or sanction under this law shall maintain any civil action in the Court until all such fees, charges and sanctions have been paid in full.

45 M.P.T.L. ch. 1 § 10

**§ 10. Certificate of Correction**

a. If a document relating to a Limited Liability Company filed with the Tribal Clerk under this law was, at the time of filing, an inaccurate record of the action referred to in the document, or was defectively or erroneously executed, the document may be corrected by filing a certificate of correction with the Tribal Clerk.

b. The certificate shall be signed as provided by this law in the same manner as required for the document to be corrected.

c. The certificate shall set forth the name of the Company, the date the document to be corrected was filed with the Tribal Clerk, the provision in the document as it should have originally appeared, and, if the execution was defective, the proper execution.

d. The corrected document is effective in its corrected form as of its original filing date except as to a Person who relied upon the inaccurate portion of the document and was, as a result of the inaccurate portion of the document adversely affected by the correction.

45 M.P.T.L. ch. 1 § 11

### **§ 11. Tax Status of Limited Liability Companies**

a. For purposes of taxation by the Tribe, if any, a Limited Liability Company transacting Business on the Reservation shall be classified in the same manner as it is classified for federal income tax purposes.

b. All LLCs organized under this law must register with the MPTN Office of Revenue and Taxation. The following information is required to register:

- (1) Name of the LLC;
- (2) Federal Tax ID;
- (3) Name and mailing address of the Registered Agent;
- (4) Name, email address, and phone number of contact person; and
- (5) Any other information required by the Office of Revenue and Taxation.

## **CHAPTER 2. ORGANIZATION OF LIMITED LIABILITY COMPANY**

45 M.P.T.L. ch. 2 § 1

### **§ 1. Reservation of Name**

a. The exclusive right to the use of a name may be reserved by:

- (1) A Person intending to organize a Limited Liability Company under this law and to adopt that name; or
- (2) A Limited Liability Company organized under this law intending to utilize the name as an assumed name or intending to change its name.

b. The reservation of a name is made by filing with the Tribal Clerk an application, executed by the applicant, specifying the name to be reserved and the name and address of the applicant.

- (1) If the Tribal Clerk finds that the name is available for use by a Limited Liability Company, the Tribal Clerk shall reserve the name for the exclusive use of the applicant for a period of one hundred twenty (120) days.

- (2) Having reserved a name, the same applicant may reserve the same name for successive 120-day periods, but not for more than three hundred sixty (360) days in total.
- (3) The right to the exclusive use of a reserved name may be transferred to another Person by filing with the Tribal Clerk a notice of the transfer, executed by the applicant for whom the name was reserved, specifying the name to be transferred and the name and address of the transferee.
- (4) The reservation of a specified name may be canceled by filing with the Tribal Clerk a notice of cancellation, executed by the applicant or transferee, specifying the name reservation to be canceled and the name and address of the applicant or transferee.

45 M.P.T.L. ch. 2 § 2

**§ 2. Assumed Name**

- a. As used in this section, "assumed name" includes a trade name or a name other than the true name of a Limited Liability Company.
- b. Upon complying with this section, a Limited Liability Company organized under this law may transact its Business under one or more assumed names.
- c. Before transacting Business under an assumed name, the Limited Liability Company shall file a certificate with the Tribal Clerk in compliance with 9 M.P.T.L. ch. 3 §1. A separate certificate must be executed and filed for each assumed name that the Limited Liability Company proposes to use.
- d. A Limited Liability Company may terminate an assumed name by executing and filing with the Tribal Clerk a statement setting forth:
  - (1) The name of the Limited Liability Company and the Principal Place of Business; and
  - (2) That it no longer intends to transact Business under the assumed name.
- e. Notwithstanding compliance with the requirements of this section, the use of an assumed name may be revoked by the Tribal Clerk or enjoined by a Person adversely affected by such use if the assumed name is deceptively similar to a name in which a Person has prior rights to that name.

45 M.P.T.L. ch. 2 § 3

**§ 3. Name - Requirements**

- a. The name of each Limited Liability Company as set forth in the Articles of Organization:
  - (1) unless the Tribe organizes the Limited Liability Company, shall not contain the words "Mashantucket Pequot Tribal Nation", "MPTN", or "Foxwoods", nor in any way imply that it is associated with the Tribe, its government or that it is an entity of the Tribe, or words or any abbreviation with a similar meaning in any other language;

- (2) shall contain the words "Limited Liability Company," or the abbreviation "L.L.C." or "LLC" unless filing an assumed name under §2; and
- (3) shall not contain the words "association," "corporation," "incorporated," "limited partnership," "limited," "L.P.," "Ltd.," or language or words or any abbreviation with a similar meaning in any other language except as part of the phrase Limited Liability Company.

b. The name of a Limited Liability Company must be distinguishable upon the records of the Tribal Clerk from:

- (1) the name of any other Limited Liability Company, partnership, or corporation formed or authorized to transact Business on the Reservation; or
- (2) the Tribe or any of its entities unless the Tribe is organizing the Limited Liability Company or has authorized the use of such name in accordance with the terms of this law.

c. The name of a Limited Liability Company may be the same or substantially similar if the registered owner or holder of the mark or name is the same Person or entity as the Limited Liability Company seeking to use the same or similar name and files proof of ownership with the Tribal Clerk.

d. The Tribal Clerk shall determine whether a name or assumed name is deceptively similar to another name or assumed name and make the final determination regarding the availability of any name for filing. Without limiting the foregoing, the Tribal Clerk, in its sole discretion, may refuse to file a name or assumed name that:

- (1) Consists of or comprises language that is obscene, contemptuous, profane or prejudicial;
- (2) Inappropriately promotes abusive or unlawful activity; or
- (3) Falsely suggests an association with the Tribe or any entity of the Tribe, unless the Tribe organized the Limited Liability Company or has authorized by the Tribe in accordance with the terms of this law.

45 M.P.T.L. ch. 2 § 4

**§ 4. Limited Liability Company Name - Limited Rights**

Filing Articles of Organization under, reserving, or registering a Limited Liability Company name with the Tribal Clerk does not:

- a. limit the law governing unfair competition or unfair trade practices;
- b. limit the common law, the principles of equity, or the laws of the Tribe or of the United States with respect to the right to acquire and protect names and trademarks; or,
- c. create an exclusive right in geographic or generic terms contained within a name.

45 M.P.T.L. ch. 2 § 5

## **§ 5. Formation**

a. The Tribe hereby authorizes the formation of Limited Liability Companies under this law provided that the Limited Liability Company has:

- (1) its Principal Place of Business or Registered Office on the Reservation; and
- (2) majority ownership and control by the Tribe, one or more wholly owned Tribal Entities, one or more enrolled members of the Tribe, or any combination of the foregoing.
- (3) For purposes of this provision, "control" means holding a majority of all voting interests of each class of Membership Interest entitled to vote separately from other classes, and an entitlement to at least 51% of any Distribution.

b. One or more Persons may form a Limited Liability Company under this law by delivering to the Tribal Clerk the Articles of Organization for the Limited Liability Company.

c. A Limited Liability Company shall, at formation and at all times, have at least one (1) member. At least one Person filing the Articles of Organization must be a member of the Limited Liability Company at the time of formation or any time thereafter.

45 M.P.T.L. ch. 2 § 6

## **§ 6. Registered Agent**

a. Each Limited Liability Company shall continuously have and maintain a Registered Agent.

b. The Registered Agent shall be a Person residing or having an office on the Reservation.

- (1) The Limited Liability Company may appoint, in writing, the Tribal Clerk as the Registered Agent for the purpose of accepting service of process in any action, suit, or proceeding that may arise under this law.
- (2) Within three (3) business days after service of process upon the Tribal Clerk, the Tribal Clerk shall transmit, by certified mail, copies of all lawful process accepted by the Tribal Clerk as the Registered Agent to the Limited Liability Company's last known address. Service of process shall be considered complete three (3) business days after the Tribal Clerk deposits copies of the documents in the U.S. mail.

c. The mailing address for a Registered Agent may be a U.S. Postal Service box in Mashantucket, Connecticut.

d. Designation as a Registered Agent, or successor Registered Agent, is not effective until a signed, written statement accepting such appointment is delivered to the Tribal Clerk.

e. A Limited Liability Company authorized to transact Business under this law may change its Principal Place of Business, Registered Office, or Registered

Agent, or both, upon filing, with the Tribal Clerk, an executed statement setting forth:

- (1) The name of the Limited Liability Company;
- (2) The address of its then Principal Place of Business and Registered Office, if different, and the new address, if it is to change;
- (3) The name of its then Registered Agent and the name of the successor, if the Registered Agent is to change; and
- (4) A statement that the change was authorized in accordance with the Articles of Organization or an Operating Agreement, or, if not provided for in the Articles of Organization or an Operating Agreement, by affirmative vote of a majority of the members or managers.

f. A Registered Agent may resign by filing a certificate with the Tribal Clerk. The certificate must include:

- (1) A statement of resignation;
- (2) The name of the Limited Liability Company;
- (3) An attached affidavit stating that on or about the date of the filing of certificate or resignation, notices were sent by certified or registered mail to a manager or, if there is no manager, to the member(s) of each affected Limited Liability Company from which the Registered Agent is resigning at the address of the manager or member(s), as shown on the most recent annual report of a Limited Liability Company.

A resignation takes effect under this section upon filing a certificate with the Tribal Clerk.

g. After receipt of the notice of the resignation of its Registered Agent, a Limited Liability Company shall file a certificate of amendment designating a new Registered Agent within ninety (90) days of the filing of the notice of the former Registered Agent's resignation. Until a Limited Liability Company duly files a certificate appointing a new Registered Agent, legal process against that Limited Liability Company may be served upon the Tribal Clerk.

45 M.P.T.L. ch. 2 § 7

**§ 7. Nature of Business Permitted; Powers.**

a. Except as otherwise provided by Tribal law, including the Tribal Zoning Regulation (4 L.U.R., [www.mptnlaw.com](http://www.mptnlaw.com)), a Limited Liability Company may be organized and formed to conduct or promote any lawful Business or purpose. If the purpose for which a Limited Liability Company is formed subjects the Company to other provisions of Tribal law, the Limited Liability Company shall comply with such provisions.

b. Each Limited Liability Company organized and existing under this law may exercise the powers and privileges granted by this law, or by any other applicable law, together with any powers and privileges incidental thereto or necessary or convenient to effect any or all of the purposes for which the Company is organized, including, without limitation, the power to:

- (1) purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, or otherwise deal in or with real or personal property or an interest in real or personal property, wherever situated, provided that the Limited Liability Company shall be without authority to sell, mortgage, or assign personal or real property that is owned by the Tribe or real property that is held in trust by the United States for the benefit of the Tribe;
- (2) sell, convey, mortgage, pledge, create a security interest in, lease, exchange or transfer, or otherwise dispose of all or any part of its property or assets, provided that the Limited Liability Company shall be without authority to sell, mortgage, or assign personal or real property that is owned by the Tribe or real property that is held in trust by the United States for the benefit of the Tribe;
- (3) purchase, take, receive, subscribe or, invest in, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, otherwise dispose of, or otherwise use or deal in or with:
  - (A) shares or other interests in or obligations of other limited liability companies, corporations, associations, general or limited partnerships, or individuals; or
  - (B) direct or indirect obligations of the United States, any other Indian tribe, or any state, territory, governmental district, or municipality or of any instrumentality of them;
- (4) make contracts or guarantees or incur liabilities, borrow money at such rates of interest as the Limited Liability Company may determine, issue its notes, bonds, or other obligations, or secure any of its obligations by mortgage or pledge of all, or any part, of its property, franchises, and income, provided that the Limited Liability Company shall be without authority to mortgage or pledge any personal or real property that is owned by the Tribe or real property held in trust by the United States for the benefit of the Tribe;
- (5) invest or reinvest its funds, or take and hold real or personal property as security for the payment of funds so invested;
- (6) conduct its Business and maintain offices and exercise the powers granted by this law within or outside the Reservation, provided the Limited Liability Company's Principal Place of Business or Registered Office is on the Reservation;
- (7) elect or appoint managers and agents of the Limited Liability Company, define their duties, and fix their compensation;
- (8) make, execute, amend and restate an Operating Agreement, consistent with its Articles of Organization and with Tribal law, for the administration and regulation of its affairs;
- (9) bring a suit in the Limited Liability Company's name;
- (10) defend against suits brought against the Limited Liability Company;

- (11) subject to such standards and restrictions, if any, set forth in this law or in its Operating Agreement, indemnify a member or manager or any other Person against expenses actually and reasonably incurred by the member or manager in connection with the defense of an action, suit, or proceeding, whether civil or criminal, in which the member or manager is made a party;
- (12) cease its activities and surrender its Articles of Organization;
- (13) transact any lawful Businesses, subject, in all cases, to Tribal law;
- (14) pay pensions and establish pension plans, profit-sharing plans, and other incentive plans for any or all of its managers and employees;
- (15) be a promoter, incorporator, general partner, limited partner, member, associate, or manager of any corporation, partnership, limited partnership, limited liability company, joint venture, trust, or other enterprise; and,
- (16) exercise any other lawful power or privilege necessary or convenient for the conduct of its Business.

45 M.P.T.L. ch. 2 § 8

**§ 8. Articles of Organization**

In order to form a Limited Liability Company under this law, Articles of Organization must be filed with the Tribal Clerk. The Articles of Organization of a Limited Liability Company shall set forth:

- a. the name of the Limited Liability Company;
- b. the period of its duration, which shall not exceed ninety-nine (99) years from the date of filing with the Tribal Clerk;
- c. the physical and mailing address(es) of its Principal Place of Business and Registered Office, if different;
- d. the name and signature of its initial Registered Agent at that address;
- e. if the Limited Liability Company is to be managed by a manager or managers, the number of managers permitted, and if the initial managers have been selected, the names and residence or mailing address of each manager;
- f. if the management of a Limited Liability Company is reserved to the members, the names and street addresses of each member; and
- g. any other provision, not inconsistent with Tribal law, that the members choose to include in the Articles of Organization for the regulation of the internal affairs of the Limited Liability Company.

45 M.P.T.L. ch. 2 § 9

**§ 9. Amendments to Articles**

a. The Articles of Organization of a Limited Liability Company shall be amended by filing Articles of Amendment with the Tribal Clerk. The Articles of Amendment must set forth:

- (1) The name of the Limited Liability Company; and
- (2) The amendment or amendments to the Articles.

b. Except as otherwise provided in the Articles of Organization, Articles of Organization may be amended at any time for any other purpose by a majority of the members. Each Limited Liability Company shall file, with the Tribal Clerk, the Articles of Amendment within thirty (30) days after the adoption of the amendment.

c. No later than sixty (60) days after the following event or events occur, an Articles of Amendment reflecting the event or events must be filed by a manager or, if there is no manager, by a member:

- (1) A change in the physical or mailing address(es) of the Principal Place of Business or Registered Office, if different;
- (2) A change in whether the management of the Limited Liability Company is vested in managers or members; or
- (3) A manager or, if there is no manager, a member becomes aware that the Articles of Organization contain a false or erroneous statement.

d. If, after the dissolution of a Limited Liability Company but before the filing of a certificate of dissolution as provided in in this law, a Person, other than an individual shown on the Articles of Organization as a manager, is winding up the Limited Liability Company's affairs, then the Articles of Organization must be amended to set forth the name, the Business, and residence or mailing address of each Person winding up the Limited Liability Company's affairs.

e. A Limited Liability Company may, at any time, file a restatement of its Articles of Organization that integrates, into a single document, the original Articles of Organization with all amendments previously adopted and if authorized, further amendments. The restated Articles of Organization, either in the heading or in an introductory paragraph must set forth:

- (1) That it is a restatement;
- (2) The Limited Liability Company's present name;
- (3) If the name has been changed, the original Company name under which it was originally filed; and
- (4) The date of filing of the initial Articles of Organization.

f. Restated Articles of Organization must be executed and filed in the manner provided for any other amendment to the Articles of Organization. Upon filing of the restated Articles of Organization with the Tribal Clerk, the restatement, including further amendments made as a result of the restatement, constitutes the Articles of Organization of the Limited Liability Company.

**§ 10. Conflict between the Operating Agreement and Articles of Organization**

If there is a conflict between the Articles of Organization and an Operating Agreement of a Limited Liability Company, the Articles of Organization shall control.

45 M.P.T.L. ch. 2 § 11

**§ 11. Effect of Filing and Pre-filing Activities**

a. Upon the placement of the Tribal Clerk's stamp or seal on the Articles of Organization, the Limited Liability Company shall be considered organized as a separate legal entity whose existence as such continues until a Certificate or Decree of Dissolution of the Limited Liability Company's Articles of Organization is filed with the Tribal Clerk.

b. The filing of the Articles of Organization and affixation of the Tribal Clerk's seal shall be conclusive evidence that all conditions precedent required to be performed by the members have been complied with and that the Limited Liability Company has been legally organized under this law.

c. A Limited Liability Company may not transact Business or incur indebtedness, except that which is incidental to its organization or to obtaining subscriptions for or payment of contributions, until the Articles of Organization have been filed with the Tribal Clerk. Persons engaged in pre-filing activities other than those authorized by this section shall be jointly and severally liable for any debts or liabilities incurred in the course of those activities.

45 M.P.T.L. ch. 2 § 12

**§ 12. Records**

a. Each Limited Liability Company shall keep at its Principal Place of Business or Registered Office, if different, the following:

- (1) a current list, in alphabetical order, of the first and last name and last known residential street address of each member;
- (2) a copy of the stamped Articles of Organization and all amendments;
- (3) copies of the Limited Liability Company's federal and tribal income tax returns and reports, if any, for the three (3) most recent years;
- (4) copies of any financial statements of the Limited Liability Company, if any, for the three (3) most recent years;
- (5) a copy of the Limited Liability Company's Operating Agreement, if any; and
- (6) unless otherwise set forth in the Articles of Organization or the Operating Agreement, a written statement signed by each member setting forth:

- (A) the amount of cash and a description and statement of the agreed value of the other property or services contributed and agreed to be contributed by each member;
- (B) the times at which, or events on the happening of which, any additional contributions agreed to be made by each member are to be made;
- (C) any right of a member to receive distributions which include a return of any of the member's contributions;
- (E) the members' relative voting rights; and
- (D) any event upon the happening of which the Limited Liability Company is to be dissolved and its affairs wound up.

b. Records kept under this section are subject to inspection and copying during ordinary Business hours by members for a proper purpose and subject to such reasonable confidentiality requirements as the Limited Liability Company may require, all at the expense of the requesting member. The purpose must be stated with reasonable particularity, and the records must be directly related to the purpose.

### **CHAPTER 3. ADMISSION OF MEMBER; MEMBERSHIP INTERESTS**

45 M.P.T.L. ch. 3 § 1

#### **§ 1. Admission of Member**

a. Provided that the admission of a member does not reduce the majority ownership and control by the Tribe, one or more enrolled members of the Tribe, or any combination of the foregoing, additional members may be admitted after the filing of a limited liability company's original Articles of Organization:

- (1) As provided in the Operating Agreement; or
- (2) If the operating agreement does not provide for the admission of additional members, with the written consent of all members.

b. A Person becomes a member in a Limited Liability Company organized under this law on the later of:

- (1) The date a Limited Liability Company is formed and registered with the Tribal Clerk in accordance with the terms hereof; or
- (2) The time provided in the Operating Agreement or Articles of Organization or, if no such time is provided in the Operating Agreement or Articles of Organization, when the Person's admission to membership is recorded in the records of a Limited Liability Company.

c. Unless otherwise provided by Tribal law or in an Operating Agreement, a Person that is a member or manager, or both, of a Limited Liability Company is not liable for the acts, debts, or obligations of the Limited Liability Company.

45 M.P.T.L. ch. 3 § 2

## **§ 2. Nature of Membership Interest**

A membership interest in a Limited Liability Company is personal property.

45 M.P.T.L. ch. 3 § 3

## **§ 3. Assignment of Membership Interest**

a. Except as otherwise provided in an Operating Agreement or Articles of Organization or as may be limited by this law:

- (1) A Membership Interest is assignable in whole or in part, provided the assignment does not reduce the majority ownership and control by the Tribe, one or more enrolled members of the Tribe, or any combination of the foregoing;
- (2) An assignment entitles the assignee to share in profits and losses, to receive distributions and allocations of income, gain, loss, deduction or credit or similar item to which the assignor was entitled to the extent assigned;
- (3) An assignment of a Membership Interest does not, in and of itself, dissolve a Limited Liability Company or entitle the assignee to participate in the management and affairs of a Limited Liability Company, or to become or exercise any rights of a member;
- (4) Until the assignee of a Limited Liability Company interest becomes a member, the assignor continues to be a member and to have the power to exercise any rights of a member;
- (5) Until an assignee of a Membership Interest becomes a member, the assignee has no liability as a member solely as a result of the assignment; and
- (6) The assignor of a Membership Interest is not released from liability as a member solely as a result of the assignment.

b. An Operating Agreement or Articles of Organization may provide that a member's interest in a Limited Liability Company may be evidenced by a Certificate of Membership Interest issued by a Limited Liability Company and may also provide for the assignment or transfer of a Membership Interest represented by such a certificate and make other provisions with respect to the certificates.

c. Unless otherwise provided in an Operating Agreement or Articles of Organization, the pledging of or granting of a security interest, lien or other encumbrance in or against any or all of the Membership Interest of a member is not an assignment and does not cause the member to cease to be a member or to cease to have the power to exercise the rights or powers of a member.

45 M.P.T.L. ch. 3 § 7

## **§ 4. Right of Judgment Creditor**

On application to the Court by a judgment creditor of a member, the Court may charge the Membership Interest of the member with payment of the unsatisfied amount of judgment with interest. To the extent so charged, the judgment

creditor has only the rights of an assignee of the Membership Interest. This law does not deprive a member of the benefit of any exemption laws applicable to that member's Membership Interest.

45 M.P.T.L. ch. 3 § 5

**§ 5. Right of Assignee to Become a Member**

a. Provided that the assignment of a member's interest does not reduce the majority ownership and control by the Tribe, one or more enrolled members of the Tribe, or any combination of the foregoing, the assignee of a member's interest may become a member if:

(1) The Operating Agreement or Articles of Organization so provide; or

(2) All other members and the assignee consent.

b. An assignee who becomes a member has, to the extent assigned, the rights and powers, and is subject to the restrictions and liabilities, of a member under the Articles of Organization, any Operating Agreement and this law. An assignee who becomes a member also is liable for any obligations of the assignor to make contributions and to return distributions required by this law. The assignee is not obligated for liabilities of which the assignee had no knowledge of at the time the assignee became a member and that could not be ascertained from an Operating Agreement or the Articles of Organization.

c. Except as otherwise provided in the Operating Agreement or Articles of Organization, a member who assigns that member's entire interest in a Limited Liability Company ceases to become a member or to have the power to exercise any rights of a member when an assignee of that member's interest becomes a member with respect to the assigned interest in accordance with the terms hereof.

45 M.P.T.L. ch. 3 § 6

**§ 6. Powers of Estate of a Deceased or Incompetent Member**

If a member who is an individual dies or the Court adjudges the member to be incompetent to manage the member's person or property, the member's executor, administrator, guardian, conservator or other legal representative has all of the rights of an assignee of the member's interest.

45 M.P.T.L. ch. 3 § 7

**§ 7. Withdrawal of Member**

a. The members may provide in the Operating Agreement or Articles of Organization for the expulsion of a member or for other events the occurrence of which result in a Person ceasing to be a member of a Limited Liability Company.

b. A member may withdraw from a Limited Liability Company only as provided in an Operating Agreement. A member withdrawing pursuant to an Operating Agreement may become entitled to a withdrawal distribution as described in in this law.

45 M.P.T.L. ch. 3 § 8

## **§ 8. Statement of Withdrawal**

A member who has withdrawn, or the Limited Liability Company, may file a statement of withdrawal with the Tribal Clerk stating the name of the Limited Liability Company and that the member has withdrawn from the Limited Liability Company.

## **CHAPTER 4. MANAGEMENT BY MEMBERS OR MANAGERS**

45 M.P.T.L. ch. 4 § 1

### **§ 1. Duties of Managers and Members**

a. The managers and members of a Limited Liability Company shall exercise their powers and discharge their duties in good faith and in a manner that managers or members reasonably believe to be in the best interests of the Limited Liability Company.

b. In discharging their duties, managers and members may rely on information, opinions, reports, or statements, including, but not limited to, financial systems or other financial data, if prepared or presented by any of the following:

- (1) one or more members or employees of the Limited Liability Company whom they reasonably believe to be reliable and competent in the matter presented;
- (2) legal counsel, public accountants, or other Persons retained by the Limited Liability Company as to matters involving skills or expertise which they reasonably believe are within the particular personal professional or expert competence; or
- (3) a committee of managers or members of which they are not a member if they reasonably believe the committee merits confidence.

c. The managers or members are not entitled to rely on the information, opinions, reports, or statements described in (b) if the manager or member has knowledge concerning the matter in question that makes reliance otherwise permitted by (b) unwarranted.

d. A manager or member may not be held personally liable for an action taken or the failure to take an action by a manager or member if they perform their duties in compliance with the Operating Agreement or this section.

e. Every member and manager must account to the Limited Liability Company and hold as trustee for it any profit or benefit derived by that person, without the consent of more than one-half by number of the disinterested managers or the majority in interest of the disinterested members, from:

- (1) any transaction connected with the conduct or winding up of the Limited Liability Company; or,
- (2) any use by the member or manager of its property, including, but not limited to, confidential or proprietary information of the Limited

Liability Company or other matters entrusted to the person as a result of his status as a member or manager.

f. An action against a manager or member for failure to perform the duties imposed by this law shall be commenced within three (3) years after the cause of action has accrued or within two (2) years after the cause of action is discovered or should reasonably have been discovered by the complainant, whichever comes first.

g. The provisions of this section may not be modified or waived in an Operating Agreement, the Articles of Organization or otherwise.

45 M.P.T.L. ch. 4 § 2

**§ 2. Management; Classes; Voting**

a. Unless the Articles of Organization provide that management of a Limited Liability Company vests in a manager or managers, management of the Business of that Limited Liability Company is vested in the members. Subject to provisions in the Operating Agreement or this law restricting or enlarging the management rights and duties of a person or group or class of persons, the members have the right and authority to manage the affairs of a Limited Liability Company and to make all decisions with respect to that Limited Liability Company.

b. An Operating Agreement or the Articles of Organization may provide for classes or groups of members having such relative rights, powers and duties as the Operating Agreement or the Articles of Organization may provide, and may make provision for the future creation of additional classes or groups of members having such relative rights, powers and duties as may from time to time be established including rights and duties senior to existing classes and groups of members. An Operating Agreement or Articles of Organization may provide for the taking of an action, including the amendment of the Operating Agreement or Articles of Organization, without the vote or approval of any member or class or group of members, including an action to create, under the provisions of the Operating Agreement or Articles of Organization, a class or group of Limited Liability Company interests that was not previously outstanding.

c. An Operating Agreement or Articles of Organization may grant to all or certain identified members or a specified class or group of the members the right to vote separately or with all or any class or group of the members on any matter, or to provide that any member or group of members shall have no voting rights. Unless otherwise provided in the Operating Agreement or the Articles of Organization, voting by members is on a per capita basis.

d. An Operating Agreement or Articles of Organization that grants a right to vote may set forth provisions relating to notice of the time, place or purpose of any meeting at which any matter is to be voted on by any members, waiver of this notice, action by consent without a meeting, the establishment of a record date, quorum requirements, voting in-person or by proxy, or any other matter with respect to the exercise of any right to vote.

e. Except as provided in the Operating Agreement, the Articles of Organization, or this law, and subject to subsection (1), the affirmative vote, approval or consent of more than one-half of the total voting interests

of the members entitled to vote, if management of a Limited Liability Company is vested in the members, is required to decide any matter connected with the Limited Liability Company's Business.

f. A membership interest held by two (2) or more Persons, whether as fiduciaries, members of a partnership, tenants in common, joint tenants, tenants by the entirety, or otherwise, is considered as held by one (1) member for voting under this section.

g. If the Articles of Organization provide that management of a Limited Liability Company vests in one or more managers, then these managers have the power to manage the Business and affairs of that Limited Liability Company as is provided in the Operating Agreement or the Articles of Organization. Unless otherwise provided in an Operating Agreement or the Articles of Organization, these managers:

- (1) Must be designated, appointed, elected, removed or replaced by a vote, approval or consent of a majority of the total voting interests of the members entitled to vote;
- (2) Need not be members of that Limited Liability Company; and
- (3) Unless they have been earlier removed or have earlier resigned, shall hold office until their successors have been elected and qualified.

h. Except as provided in the Operating Agreement, the Articles of Organization or this law, if management of the Limited Liability Company is delegated to managers and the Limited Liability Company has more than one (1) manager, each manager has one (1) vote and the vote of the majority of all managers is required to decide or resolve any difference on any matter connected with carrying on the Business of the Limited Liability Company that is within the scope of the manager's authority.

i. Except as provided in the Operating Agreement or the Articles of Organization, the affirmative vote, approval or consent of all members is required to authorize a manager, member or other Person to act on behalf of the Limited Liability Company in a manner that contravenes an Operating Agreement.

45 M.P.T.L. ch. 4 § 3

### **§ 3. Agency Power of Members and Managers**

a. Except as provided in subsection (b), each member is an agent of a Limited Liability Company for the purpose of its Business, and the acts of a member, including, but not limited to, the execution in the name of a Limited Liability Company of an instrument for carrying on the Business of that the Limited Liability Company of which that Person is a member, binds a Limited Liability Company, unless the acting member has no authority to act for the Limited Liability Company in a particular matter, and the Person with whom that member is dealing has knowledge of the fact that the member has no such authority.

b. If the Articles of Organization provide that management of a Limited Liability Company is vested in a manager or managers then:

- (1) A member, acting solely in the capacity as a member, is not an agent of a Limited Liability Company; and
- (2) Each manager is an agent of a Limited Liability Company for the purpose of its Business or affairs, and the act of a manager, including, but not limited to, the execution in the name of that Limited Liability Company of an instrument, for carrying on in the usual way the Business of that Limited Liability Company of which that Person is the manager, binds that Limited Liability Company, unless the acting manager has no authority to act for the Limited Liability Company in a particular matter and the Person with whom the manager is dealing has knowledge of the fact that the manager has no such authority.

c. An act of a manager or a member that is not apparently for carrying on in the usual way the Business of a Limited Liability Company does not bind that Limited Liability Company unless authorized in accordance with an Operating Agreement or Articles of Organization at the time of the transaction.

d. An act of a manager or member in contravention of a restriction on authority does not bind a Limited Liability Company to Persons having knowledge of the restriction.

45 M.P.T.L. ch. 4 § 4

#### **§ 4. Admissions of Members and Managers**

a. Except as provided in subsection (b), an admission or representation made by a member concerning the Business of a Limited Liability Company within the scope of a member's authority as provided for by this law is evidence against that Limited Liability Company.

b. If the Articles of Organization provide that management of a Limited Liability Company is vested in a manager or managers then:

- (1) An admission or representation made by a manager concerning the Business of a Limited Liability Company within the scope of the manager's authority as provided for by this law is evidence against that Limited Liability Company; and
- (2) An admission or representation of a member, acting solely in that member's capacity as a member, does not constitute evidence against a Limited Liability Company.

45 M.P.T.L. ch. 4 § 5

#### **§ 5. Limited Liability Company Charged with Knowledge of or Notice to Member or Manager**

a. Except as provided in subsection (b), notice to a member of a matter relating to the Business of a Limited Liability Company, and the knowledge of the member acting in the particular matter acquired while a member or of which the Person had knowledge at the time of becoming a member, and the knowledge of any other member who reasonably could and should have communicated the knowledge to the acting member, operate as notice to or knowledge of the Limited Liability Company, except in the case of a fraud on

the Limited Liability Company committed by or with the consent of that member.

b. If the Articles of Organization provide that management of a Limited Liability Company is vested in a manager or managers then:

- (1) Notice to a manager of a matter relating to the Business of the Limited Liability Company, and the knowledge of the manager acting in the particular matter, acquired while a manager or of which the Person had knowledge 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 Limited Liability Company, except in the case of a fraud on the Limited Liability Company committed by or with the consent of that manager; and
- (2) Notice to or knowledge of a member of a Limited Liability Company, while that member is acting solely in that member's capacity as a member is not notice to or knowledge of a Limited Liability Company.

45 M.P.T.L. ch. 4 § 6

**§ 6. Limited Liability Company Liable for Member's or Manager's Actionable Conduct; Misapplication**

a. A Limited Liability Company is liable for loss or injury caused to a Person or for a penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of a member or manager acting in the ordinary course of Business of the Limited Liability Company or with the authority of the Limited Liability Company.

b. If, in the course of its Business, a Limited Liability Company receives money or property of a Person not a member that is misapplied by a member or a manager while it is in the custody of the Limited Liability Company, the Limited Liability Company is liable for the loss.

45 M.P.T.L. ch. 4 § 7

**§ 7. Liability to Third Parties**

a. Except as otherwise provided in this law, the debts, obligations and liabilities of a Limited Liability Company, whether arising in contract, tort or otherwise, are solely the debts, obligations and liabilities of the Limited Liability Company. A member or manager of a Limited Liability Company is not obligated personally for any such debt, obligation or liability of the Limited Liability Company solely by reason of being a member or acting as a manager of a Limited Liability Company.

b. Except as provided in subsection (c), the failure of a Limited Liability Company to observe the usual Limited Liability Company formalities or requirements relating to the exercise of its Limited Liability Company powers or management of its Business is not a ground for imposing personal liability on the members for liabilities of the Limited Liability Company.

c. All or specified members of a Limited Liability Company may be liable in their capacity as members for all or specified debts, obligations or liabilities of the Limited Liability Company if:

- (1) A statement to that effect is contained in the Articles of Organization; and
- (2) Any member so liable has either voted for the adoption of the provision or has consented in writing to be bound by the provision.

d. A member of a Limited Liability Company may act as guarantor or surety, may provide collateral or may otherwise assume responsibility for the debts, obligations or liabilities of the Limited Liability Company whether or not a statement under subsection (c) (1) exists or a vote or consent under subsection (c) (2) has occurred.

45 M.P.T.L. ch. 4 § 8

#### **§ 8. Parties to Actions**

A member of a Limited Liability Company is not a proper party to a proceeding by or against a Limited Liability Company, solely by reason of being a member of that Limited Liability Company, except:

- a. If the object of the proceeding is to enforce a member's right against or liability to that Limited Liability Company; or
- b. In a derivative action brought pursuant to this law.

45 M.P.T.L. ch. 4 § 9

#### **§ 9. Indemnification of Managers, Members, Employees, and Agents; Insurance**

a. An Operating Agreement may:

- (1) Eliminate or limit the personal liability of a member or manager for monetary damages for breach of any duty provided for in ch. 4 §1; and
- (2) Provide for indemnification of a member or manager for judgments, settlements, penalties, fines or expenses incurred in a proceeding to which an individual is a party because such individual is or was a member or manager.

b. Insurance. A Limited Liability Company may purchase and maintain insurance on behalf of any Person who is a member, manager or officer of the Limited Liability Company, or who, while a member, manager or officer of the Limited Liability Company, serves at the Limited Liability Company's request as a manager, officer, partner, trustee, employee, or agent of another domestic or Foreign Limited Liability Company, partnership, joint venture, trust, employee benefit plan, or other entity, against liability asserted against or incurred by them in that capacity or arising from their status as a member, manager or officer.

## CHAPTER 5. FINANCE

45 M.P.T.L. ch. 5 § 1

### § 1. Capital Contributions

a. A member's capital contributions to the Limited Liability Company may consist of cash, property, services rendered, or a promissory note, or other binding obligation to contribute cash or property or to perform services.

b. A promise by a member to contribute to the Limited Liability Company is not enforceable unless the promise is in writing and signed by the member.

c. Unless otherwise provided in the Articles of Organization or Operating Agreement, a member is obligated to the Limited Liability Company to perform any enforceable promise to contribute cash or property or to perform services, even if the member is unable to perform because of death, disability, or other reason. If a member does not make the required contribution of property or services, the member is obligated, at the option of the Limited Liability Company, to contribute cash equal to that portion of value of the stated contribution that is not made.

d. The rights of the Limited Liability Company under (c) are in addition to any other rights that the Limited Liability Company may have under an Operating Agreement or applicable law.

e. The liabilities of a member as set out in this section may be waived or compromised upon the consent of all other members. Notwithstanding a compromise of a member's obligation, a creditor of a Limited Liability Company who extends credit or otherwise acts on reliance on the member's obligation after the member signs a writing that reflects the obligation and before the amendment of the writing to reflect the compromise may enforce the member's original obligation.

f. When a member has rightfully received a return of his capital contribution, in whole or in part, the member remains liable to the Limited Liability Company for any sum, not in excess of the return with interest, necessary to discharge the Limited Liability Company's obligations to all creditors of the Limited Liability Company who extended credit or whose claims arose before the return.

g. An Operating Agreement or Articles of Organization may provide that the interest of a member who fails to make any contribution or other payment that the member is required to make is subject to specified remedies for, or specified consequences of, the failure. The remedy or consequence may take the form of reducing the defaulting member's interest in the Limited Liability Company, subordinating the defaulting member's interest in the Limited Liability Company to that of the non-defaulting members, a forced sale of the interest in the Limited Liability Company, forfeiture of the interest in the Limited Liability Company, affixing of the value of the member's interest in the Limited Liability Company by appraisal or by a redemption and sale of the member's interest in the Limited Liability Company at that value, or other remedy or consequences.

**§ 2. Allocation of Profits and Losses and Distributions**

a. The allocation of profits and losses, and distributions of cash or other assets of a Limited Liability Company shall be apportioned among the members in the manner provided in the Operating Agreement. If the Operating Agreement does not otherwise provide, profits and losses and distributions shall be apportioned on the basis of value of the contributions made by each member to the extent they have been received by the Limited Liability Company and have not been returned. The value of the contributions made shall be determined as stated in the Articles of Organization, the Operating Agreement or the records of the Limited Liability Company as required hereunder.

b. A membership interest held by two (2) or more Persons, whether as fiduciaries, members of a partnership, tenants in common, joint tenants, tenants by the entirety, or otherwise, is considered as held by one (1) member for an allocation under this section.

**CHAPTER 6. OWNERSHIP AND DISPOSITION OF PROPERTY**

**§ 1. Ownership of Limited Liability Company Property**

a. Real or personal property owned or purchased by a Limited Liability Company may be held and owned, and conveyance shall be made, in the name of the Limited Liability Company. A member has no specific interest in the property of a Limited Liability Company.

b. Subject to subsection (d), property is presumed owned by a Limited Liability Company if it is acquired in the name of the Limited Liability Company.

c. Subject to subsection (d), property is presumed owned by a Limited Liability Company if it is purchased with funds of the Limited Liability Company even if it is acquired in the name of a member or other Person.

d. Property is presumed separate property of one (1) or more members if it is acquired in the name or names of that Person or those Persons without use of funds of a Limited Liability Company even though the property is used for purposes of the Business of that Limited Liability Company.

**§ 2. Transfer of Property**

a. Except as provided in subsection (e), title to property of a Limited Liability Company that is held in the name of the Limited Liability Company may be transferred by an instrument of transfer executed by a duly authorized member in the name of the Limited Liability Company.

b. Title to property of a Limited Liability Company that is held in the name of one (1) or more members or managers with an indication in the instrument transferring the property to them in their capacity as members or managers of the Limited Liability Company or of the existence of a Limited Liability Company, even if the name of the Limited Liability Company is not indicated, may be transferred by an instrument of transfer executed by the Persons in whose name title is held.

c. Property transferred under subsections (a) and (b) may be recovered by a Limited Liability Company if it proves that the act of the Person executing the instrument of transfer did not bind the Limited Liability Company under this law, unless the property has been transferred by the initial transferee, or a Person claiming through the initial transferee to a subsequent transferee who gives value without having notice that the Person who executed the instrument of initial transfer lacked authority to bind the Limited Liability Company.

d. Title to property of a Limited Liability Company that is held in the name of one (1) or more Persons other than the Limited Liability Company without an indication in the instrument transferring title to the property to them in their capacity as members or managers of the Limited Liability Company, or of the existence of a Limited Liability Company, may be transferred free of claims of the Limited Liability Company or the members by the Person in whose name title is held to a transferee who gives value without having notice that it is property of the Limited Liability Company.

e. If the Articles of Organization provide that management of a Limited Liability Company is vested in a manager or managers:

(1) Title to property of the Limited Liability Company that is held in the name of the Limited Liability Company may be transferred by an instrument of transfer executed by a duly authorized manager in the name of the Limited Liability Company; and

(2) A member, acting solely in the capacity as a member, does not have authority to transfer title to property of a Limited Liability Company that is held in the name of a Limited Liability Company.

45 M.P.T.L. ch. 6 § 3

### **§ 3. Conditions for Distributions**

a. Distributions of cash or other assets of a Limited Liability Company must be shared among the members and among classes of members in the manner provided in an Operating Agreement or the Articles of Organization. If the Operating Agreement or Articles of Organization do not so provide, each member, or other Person entitled to the interest of a member, shares in any distribution in proportion to their Membership Interests. A member is entitled to receive distributions described in this section from a Limited Liability Company to the extent and at the times or upon the happening of the events specified in an Operating Agreement or Articles of Organization or at the times determined by the members or managers if, after distribution is made, the fair value of the assets of the Limited Liability Company is in excess of all liabilities of the Limited Liability Company except liabilities to members on account of their contributions.

b. Except as provided in the Operating Agreement or Articles of Organization:

- (1) A member, regardless of the nature of that member's contribution, has no right to demand and receive a distribution from a Limited Liability Company in any form other than cash; and
  - (2) A member may not be compelled to accept, from a Limited Liability Company, a distribution of an in-kind asset to the extent that the percentage of that asset distributed to the member exceeds a percentage of that asset that is equal to the percentage in which the member shares in distributions from the Limited Liability Company.
- c. At the time a member becomes entitled to receive a distribution, the member has the status of and is entitled to all remedies available to a creditor of a Limited Liability Company with respect to the distribution. A Limited Liability Company's indebtedness to a member incurred by reason of a distribution made in accordance with this section is in parity with that Limited Liability Company's indebtedness to its general unsecured creditors, except to the extent subordinated by agreement.
- d. A distribution may not be made if after giving effect to the distribution:
- (1) The Limited Liability Company is not able to pay its debts as they become due; and
  - (2) Liabilities of the Limited Liability Company, other than liabilities to members on account of their Limited Liability Company interests and liability for which the recourse of creditors is limited to specified property of the Limited Liability Company, exceed the fair value of the assets of the Limited Liability Company, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited is included in the assets of the Limited Liability Company only to the extent that the fair value of that property exceeds that liability.
- e. A Limited Liability Company may base a determination that a distribution is not prohibited under section (d) on either:
- (1) Financial statements prepared on the basis of accounting practices and principles that are reasonable under the circumstances; or
  - (2) A fair valuation or other method that is reasonable under the circumstances.
- f. The effect of a distribution under subsection (a) is measured as of:
- (1) The date the distribution is authorized if payment occurs within one hundred twenty (120) days after the date of authorization; or
  - (2) The date payment is made if it occurs more than one hundred twenty (120) days after the date of authorization.
- g. If the Limited Liability Company distributes an obligation to make future payments to a withdrawing member, and distribution of the obligation would otherwise be prohibited under subsection (d) at the time it was made, the Company may issue the obligation and the following apply:
- (1) The portion of the obligation that could have been distributed without violating subsection (d) is indebtedness to the withdrawing member under subsection (c).

- (2) All of the following apply to the portion of the obligation that exceeds the amount of the obligation that is indebtedness to the withdrawing member under subdivision (1).
- (A) At any time prior to the due date of the obligation, payments of principal and interest may be made as a distribution to the extent that a distribution may be made under this section.
  - (B) At any time on or after the due date, the obligation to pay principal and interest is considered distributed and treated as indebtedness described in subsection (c) to the extent that a distribution may be then made under this section.
- (3) Unless otherwise provided in an agreement with the withdrawing member, the obligation is considered a liability or debt for purposes of determining whether distributions other than payments on the obligation may be made under this section, except for the purposes of determining whether distributions may be made to members having preferential rights superior to the rights of the withdrawing member.

h. Upon a withdrawal of a member that does not cause dissolution, a withdrawing member is entitled to receive any distribution to which the member is entitled under the Operating Agreement. If not otherwise provided in the Operating Agreement, the member is not entitled to receive any distribution at that time.

45 M.P.T.L. ch. 6 § 4

#### **§ 4. Liability upon Wrongful Distribution**

a. A member or manager who votes for or assents to a distribution in violation of the Operating Agreement, Articles of Organization, or §3 is personally liable, jointly and severally, to a Limited Liability Company for the amount of the distribution that exceeds what could have been distributed without violating the Operating Agreement or §3 if it is established that the member or manager did not act in compliance with ch. 4 §1.

b. For purposes of liability under subsection (a), a member or manager entitled to participate in a decision to make a distribution is presumed to have assented to a distribution unless the member or manager either:

- (1) Votes against the distribution; or
- (2) Files a written dissent with the Limited Liability Company within a reasonable time after the member or manager has knowledge of the decision.

c. A member that accepts or receives a distribution with knowledge of facts indicating that it is in violation of an Operating Agreement or §3 is liable to the Limited Liability Company for the amount the member accepts or receives that exceeds the member's share of the amount that could have been distributed without violating §3 or the Operating Agreement.

d. Each member or manager held liable under subsection (a) for an unlawful distribution is entitled to contribution from each other member or manager who could be held liable under subsections (a) or (c). The contribution of the person held liable under both subsections (a) and (c) shall not exceed

the person's liability under either subsection (a) or (c), whichever is greater.

e. A proceeding under this section is barred unless it is commenced within two (2) years after the date on which the effect of the distribution is measured under §3(f).

## CHAPTER 7. MERGERS

45 M.P.T.L. ch. 7 § 1

### § 1. Merger

a. Unless otherwise provided in its organizational documents, one or more Limited Liability Companies formed under this law may merge with other limited liability corporations into one or more Limited Liability Companies as provided in a plan of merger.

b. Interest or shares in a Limited Liability Company that is a party to a merger may be exchanged for or converted into cash, property, obligations, or interest in the Successor Limited Liability Company.

45 M.P.T.L. ch. 7 § 2

### § 2. Plan of Merger

a. Each Limited Liability Company that is a party to the merger shall enter into a written plan of merger that must be approved by a majority of the members unless the Operating Agreement or Articles of Organization otherwise provides.

b. The plan of merger must set forth:

- (1) The name and current jurisdiction of organization of each Limited Liability Company or entity that is a party to the merger and the name and jurisdiction of the Successor Limited Liability Company into which each Limited Liability Company or other business entity merges;
- (2) The terms and conditions of the proposed merger and the mode of carrying the merger into effect;
- (3) The manner and basis of converting the interests in each Limited Liability Company or other entity into interests of the Successor Limited Liability Company;
- (4) A statement of any changes in or a restatement of the organizing documents of the Successor Limited Liability Company or a statement that the organizing documents of the Successor Limited Liability Company or other Business entity remain unchanged; and
- (5) Other relevant provisions relating to the proposed merger.

45 M.P.T.L. ch. 7 § 3

**§ 3. Approval of Merger**

- a. Unless otherwise provided in writing in the Operating Agreement or in the Articles of Organization, a Limited Liability Company that is a party to a proposed merger must approve the plan of merger by the consent of a majority of the members or, if there is more than one class or group of members, by consent of a majority of the members of each class or group.
- b. If, as a result of the merger, one or more members of a Limited Liability Company organized under this law would become subject to personal liability for the obligations or liabilities of any other Person or entity, approval of the plan of merger must require the execution by each such member of a separate written consent to become subject to such personal liability.
- c. Each Limited Liability Company or other entity 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 the laws applicable to the business entity.
- d. Upon approval of a merger, the parties shall notify their owners, shareholders, and all others that have an ownership interest in the original or surviving entity of the approval and of the effective date of the merger.

45 M.P.T.L. ch. 7 § 4

**§ 4. Articles of Merger**

- a. The Successor Limited Liability Company shall deliver to the Tribal Clerk articles of merger, executed by each party to the plan of merger, that include the following:
  - (1) The name and state or jurisdiction of organization for each party;
  - (2) The plan of merger;
  - (3) The name of the Successor Limited Liability Company;
  - (4) A statement as to whether the management of the Successor Company will be reserved to its owners or vested in one or more managers;
  - (5) A statement as to whether the Successor Company's jurisdiction of organization is Mashantucket;
  - (6) If the Successor Limited Liability Company is not organized under the laws of the Tribe, a statement that the Successor Company:
    - (A) Agrees that it may be served with process on the Reservation in a proceeding for enforcement of an obligation of a party to the merger that was organized under this law, as well as for enforcement of an obligation of the Successor Limited Liability Company or other Business entity arising from the merger; and
    - (B) Appoints the Tribal Clerk as its Registered Agent for service of process in any such proceeding and the Successor Limited

Liability Company shall specify the address to which a copy of the process must be mailed by the Tribal Clerk; and,

(7) The date when the merger is to take effect, not to exceed sixty (60) days subsequent to the filing date of the articles of merger.

b. The articles of merger act as a certificate of dissolution for a Limited Liability Company that is not the surviving or resulting Business entity in the merger or consolidation.

45 M.P.T.L. ch. 7 § 5

**§ 5. Effect of Merger**

a. The Limited Liability Companies that are parties to the merger become a single entity, which is the Limited Liability Company designated in the plan of merger as the successor.

b. The separate existence of each party to the merger ceases, except for the Successor Limited Liability Company.

c. The Successor Company possesses all the rights, privileges, immunities and powers of each Limited Liability Company that is a party to the merger and is subject to all the restrictions, liabilities and duties of each of the parties to the extent that those rights, privileges, immunities, powers, restrictions, liabilities and duties are applicable.

d. All property, real, personal and mixed and all debts due, including promises to make capital contributions and subscriptions for shares or interests, and all other action and all other interests of or belonging to or due to each of the constituent entities vest in the Successor Limited Liability Company without further act or deed.

e. The title to all real estate and any interest in real estate vested in a Limited Liability Company does not revert and is not in any way impaired by reason of the merger.

f. The Successor Limited Liability Company is liable for all liabilities and obligations of each Limited Liability Company or other Business entity so merged, and any claim existing or action or proceeding pending by or against a Limited Liability Company or other Business entity that is a party to the merger may be pursued as if the merger had not taken place or the Successor Limited Liability Company may be substituted in the action.

g. Neither the rights of creditors nor any liens on the property of a Limited Liability Company or other Business entity are impaired by the merger.

h. The membership or other interests in a Limited Liability Company that are to be converted or exchanged into interests, cash, obligations or other property under the terms of the merger are so converted and the former holders of the membership or other interests are entitled only to the rights provided in the merger or the rights otherwise provided by law.

i. The Articles of Organization of the Successor Limited Liability Corporation are amended to the extent provided in the articles of merger.

## CHAPTER 8. DISASSOCIATION AND DISSOLUTION

45 M.P.T.L. ch. 8 § 1

### § 1. Disassociation

A Person ceases to be a member of a Limited Liability Company upon the occurrence of any of the following events:

- a. The member withdraws, by voluntary act, from a Limited Liability Company;
- b. The member is removed as a member in accordance with an Operating Agreement, the Articles of Organization, or this law.
- c. Subject to a contrary provision in the Operating Agreement or Articles of Organization, when the member assigns all of that member's interest in a Limited Liability Company, by an affirmative vote of a majority in interest of the members who have not assigned their interests.
- d. Subject to a contrary provision in the Operating Agreement or Articles of Organization or written consent of a majority in interest of all members at the time, the member does any of the following:
  - (1) Makes an assignment for the benefit of creditors;
  - (2) Files a voluntary petition in bankruptcy;
  - (3) Is adjudicated as bankrupt or insolvent;
  - (4) Fails to gain dismissal of any federal bankruptcy or state or tribal insolvency proceeding within one hundred twenty (120) days of commencement of an involuntary proceeding; or
  - (5) Seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of that member or of all or a substantial part of that member's properties.
- e. Subject to a contrary provision in the Operating Agreement or Articles of Organization, or written consent of a majority in interest of all members at the time, when a member who is an individual:
  - (1) Dies; or
  - (2) Is adjudicated incompetent to manage the member's Person or estate by a court of competent jurisdiction.
- f. Subject to a contrary provision in the Operating Agreement or Articles of Organization or written consent of a majority in interest of all members at the time, if the member is a trust, corporation, partnership, or Limited Liability Company, upon liquidation, dissolution, or termination.
- g. Subject to a contrary provision in the Operating Agreement or Articles of Organization or written consent of a majority in interest of all members at the time, when a member is an estate, the distribution by the fiduciary of the estate's entire interest in a Limited Liability Company.

**§ 2. Dissolution**

A Limited Liability Company organized under this law shall be dissolved and its affairs wound up when the first of the following occurs:

- a. The expiration of the period fixed for the duration of the Company in its Articles of Organization or Operating Agreement is reached;
- b. The Limited Liability Company fails to meet the requirements to maintain at least one (1) member;
- c. The Limited Liability Company fails to establish or maintain its Principal Place of Business or Registered Office on the Reservation;
- d. The Limited Liability Company fails to maintain a Registered Agent on the Reservation;
- e. If a vote of the members to dissolve, or other event as specified in the Article of Organization or in an Operating Agreement, take place;
- f. Upon the occurrence of an event specified in the Articles of Organization or Operating Agreement as an event resulting in dissolution;
- g. When the Company is not the Successor Limited Liability Company in the merger authorized under this law;
- h. Automatically, if a decree of judicial dissolution is entered; or
- i. A majority of the organizers of the Company vote for dissolution, if the Company has not commenced Business; has not issued any membership interests; has no debts or other liabilities; and, has not received any payments, or has returned any payments it has received after deducting any amount disbursed for payment of expenses for subscriptions for its membership interests.

**§ 3. Dissolution by Judicial Decree**

- a. In a proceeding by or for a member, the Mashantucket Pequot Tribal Court may order dissolution of the Limited Liability Company if any of the following is established:
  - (1) That it is not reasonably practicable to carry on the Business of the Limited Liability Company;
  - (2) That the Limited Liability Company is not acting in conformity with its Operating Agreement or Articles of Organization;
  - (3) That one or more managers are acting or will act in a manner that is illegal, fraudulent, or oppressive and was, is, or will be directly harmful to the applicant;
  - (4) That one or more members in control of the Limited Liability Company are acting or will act in a manner that is illegal, fraudulent, or

oppressive and was, is, or will be directly harmful to the applicant; or,

- (5) That the Limited Liability Company assets are being misapplied or wasted.

b. The Court may also make any order or grant any relief other than dissolution or liquidation as in its sole discretion it may deem appropriate, including but not limited to:

- (1) Canceling, altering or amending provisions contained in the Articles of Organization or Operating Agreement of a Company.
- (2) Directing, prohibiting or enjoining any act of the Company or other Persons who are parties to the Court action.
- (3) Providing for the purchase of the interest of the member bringing the action by the other members of the Company at its fair market value.

c. If the Tribe is a member of the Limited Liability Company, any action under this Section must be brought in Tribal Court, unless explicitly otherwise provided in the Operating Agreement. Nothing in this Section may be construed as a waiver of the Tribe's sovereign immunity from suit, and any waiver thereof must be provided explicitly in the Limited Liability Company's Operating Agreement.

45 M.P.T.L. ch. 8 § 4

#### **§ 4. Certificate of Dissolution**

- a. When it begins winding up its affairs, a Limited Liability Company that dissolves under § 2(a), (b), (c), (d), (e), (f), (g), or (h) shall execute a certificate of dissolution and file the certificate with the Tribal Clerk. The certificate shall set forth:
  - (1) The name of the Limited Liability Company;
  - (2) The reason for dissolution;
  - (3) That all taxes payable, debts, obligations, and liabilities have been paid or discharged, or that adequate provision has been made to do so;
  - (4) That all the remaining property and assets have been distributed among its members in accordance with their respective rights and interests;
  - (5) That there are no suits pending against the Company in any court or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in any pending suit; and
  - (6) The effective date of dissolution if later than the date of filing of the certificate of dissolution.

- b. When it begins winding up its affairs, a Company that dissolves under §2(1) shall execute a certificate of dissolution and file it with the Tribal Clerk. The certificate of dissolution shall contain all of the following:
  - (1) The name of the Limited Liability Company;
  - (2) A statement that includes all of the following:
    - That the Limited Liability Company has not commenced business, has not issued any membership interests, and has no other debts or liabilities;
    - (A) That the Limited Liability Company has not received any payments, or has returned any payments it has received after deducting any amount disbursed for payment of expenses for subscriptions for its membership interests; and
    - (B) That a majority of the organizers of the Limited Liability Company have approved the dissolution.

c. If the certificate of dissolution filed with the Tribal Clerk conforms to law and all fees have been paid as prescribed in this law, the Tribal Clerk shall file the certificate of dissolution and shall issue a stamped certificate of dissolution, returning it to the representative of the dissolved Limited Liability Company.

d. Upon the issuance of the certificate of dissolution, the existence of the Company shall cease, except for the purpose of suits, other proceedings, and appropriate actions as provided in this law. The manager(s) in office at the time of dissolution, or the survivors of the managers, or, if none, the members, shall thereafter become trustees for the members and creditors of the dissolved Limited Liability Company. In this capacity, the trustees may distribute any Company property discovered after dissolution, convey real estate, and take other necessary action on behalf of and in the name of the dissolved Company.

45 M.P.T.L. ch. 8 § 5

#### **§ 5. Cancellation of Articles of Organization**

The Articles of Organization of a Limited Liability Company shall be cancelled by the Tribal Clerk upon issuance of the stamped certificate of dissolution.

45 M.P.T.L. ch. 8 § 6

#### **§ 6. Winding Up**

a. A dissolved Limited Liability Company continues its legal existence but may not carry on any business except that which is appropriate to wind up and liquidate its business.

b. Unless otherwise provided in its Operating Agreement:

- (1) The business of the Limited Liability Company may be wound up by any of the following:
  - (A) The members or managers who have authority to manage the Limited Liability Company before dissolution; or

- (B) In a judicial dissolution, the Person(s) designated by the Mashantucket Pequot Tribal Court.
- (2) The Persons winding up the business of the Limited Liability Company may do all of the following in the name of and on behalf of the Limited Liability Company:
- (A) Collect its assets;
  - (B) Prosecute and defend suits;
  - (C) Take any action necessary to settle and close the business of the Limited Liability Company;
  - (D) Dispose of and transfer the property of the Limited Liability Company;
  - (E) Discharge or make provision for discharging the liabilities of the Limited Liability Company; and
  - (F) Distribute to the members any remaining assets of the Limited Liability Company.
- (3) Dissolution of the Limited Liability Company does not do any of the following:
- (A) Transfer title to the Limited Liability Company's property;
  - (B) Prevent transfer of all or part of a member's interest;
  - (C) Prevent commencement of a civil, criminal, administrative, or investigatory proceeding by or against the Limited Liability Company;
  - (D) Abate or suspend a civil, criminal, administrative, or investigatory proceeding by or against the Limited Liability Company at the time of dissolution;
  - (E) Terminate the authority of the Registered Agent of the Limited Liability Company; or,
  - (F) Alter the limited liability of a member.

45 M.P.T.L. ch. 8 § 7

**§ 7. Notice to Existing Claimants**

a. The dissolved Limited Liability Company may notify its existing claimants in writing of the dissolution at any time after the effective date of the dissolution. The written notice shall include all of the following:

- (1) A description of the information that must be included in a claim. The Limited Liability Company may demand sufficient information to permit it to make a reasonable judgment whether the claim should be accepted or rejected.
- (2) A mailing address where a claim may be sent.

- (3) The deadline, which may not be less than six (6) months after the effective date of the written notice, by which the dissolved Limited Liability Company must receive the claim.
- (4) A statement that the claim will be barred if not received by the deadline.

b. The giving of notice provided for in (a) does not constitute recognition that a Person to whom the notice is directed has a valid claim against the Limited Liability Company.

c. A claim against the dissolved Company is barred if either of the following applies:

- (1) If a claimant, who was given written notice under (a), does not deliver the claim to the dissolved Limited Liability Company by the deadline; or
- (2) If a claimant whose claim was rejected by a written notice of rejection by the dissolved Limited Liability Company does not commence a proceeding to enforce the claim within ninety (90) days after the effective date of the written notice of rejection.

d. For purposes of this section, "existing claim" means any claim or right against the Limited Liability Company, liquidated or unliquidated. "Existing claim" does not mean a contingent liability or a claim based on an event occurring after the effective date of dissolution.

e. For purposes of this section, the effective date of the written notice is the earliest of the following:

- (1) The date it is received;
- (2) Five days after its deposit in the U.S. Mail, as evidenced by the postmark, if it is mailed postpaid and correctly addressed; or
- (3) The date shown on the return receipt, if the notice is sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

45 M.P.T.L. ch. 8 § 8

**§ 8. Publication of Notice**

a. A dissolved Limited Liability Company may also publish a notice of dissolution and request that Persons with claims against the Company present them in accordance with the notice.

b. The notice shall:

- (1) Be published one (1) time in a newspaper of general circulation in the county in which the dissolved Limited Liability Company's Principal Place of Business or Registered Office, if different;
- (2) Describe the information that must be included in a claim and provide a mailing address where the claim may be sent. The Limited Liability Company may demand sufficient information to permit it to

make a reasonable judgment whether the claim should be accepted or rejected; and,

- (3) State that a claim against the Limited Liability Company will be barred unless a proceeding to enforce the claim is commenced within one (1) year after the publication date of the newspaper notice.

c. If the dissolved Limited Liability Company publishes a newspaper notice in accordance with (b), the claim of each of the following claimants is barred unless the claimant commences a proceeding to enforce the claim against the dissolved Limited Liability Company within one (1) year after the publication date of the newspaper:

- (1) A claimant who did not receive written notice under § 7;
- (2) A claimant whose claim was timely sent to the dissolved Limited Liability Company but not acted upon; or
- (3) A claimant whose claim is contingent or based on an event occurring after the effective date of dissolution.

d. Notwithstanding (c), a claimant having an existing claim known to the Limited Liability Company at the time of publication in accordance with (b) and who did not receive written notice under § 7 is not barred from suit until six (6) months after the claimant has actual notice of the dissolution.

45 M.P.T.L. ch. 8 § 9

#### **§ 9. Settlement upon Dissolution**

a. In settling accounts after dissolution, the liabilities of the Limited Liability Company shall be entitled to payment in the following order:

- (1) Liabilities to creditors, in the order of priority as provided by law, including those liabilities to members of the Company on account of their contributions;
- (2) Except as provided in the Operating Agreement, to members and former members in satisfaction of liabilities for distributions under this law.

b. Members shall share in the Limited Liability Company assets as provided in the Operating Agreement, or if not so provided, in proportion to their capital contributions.

### **CHAPTER 9. DERIVATIVE ACTIONS; PROCEEDINGS; NOTICE AND SERVICE OF PROCESS**

45 M.P.T.L. ch. 9 § 1

#### **§ 1. Member as a Party to Proceedings**

A member of a Limited Liability Company is not a proper party to proceedings by or against a Limited Liability Company, except when the object is to enforce a member's right against, or liability to, the Limited Liability Company.

45 M.P.T.L. ch. 9 § 2

**§ 2. Service of Process, Notice, or Demand**

- a. Service on a Company organized under this law may be made:
- (1) By delivery to a manager of the Company if management is vested in a manager;
  - (2) By delivery to the Registered Agent; or,
  - (3) By writing, which shall be mailed by registered or certified mail to the Principal Place of Business or Registered Office of the Company.
- b. Service is perfected under §2(a) on the earliest of:
- (1) the date shown on the return receipt, if signed on behalf of the Limited Liability Company; or
  - (2) five days after mailing.
- c. This Section does not limit or affect the right to serve, in any other manner permitted by law, any process, notice or demand required or permitted by law to be served upon a Limited Liability Company.

45 M.P.T.L. ch. 9 § 3

**§ 3. Waiver of Notice**

If under the provisions of this law, the Articles of Organization or the Operating Agreement of a Limited Liability Company requires notice to be given to a Registered Agent, a manager, or members of a Limited Liability Company, a waiver in writing signed by the Person or Persons entitled to the notice, whether made before or after the time given for notice, is equivalent to giving them timely notice.

45 M.P.T.L. ch. 9 § 4

**§ 4. Rights of Action**

A member may bring an action in the right of a Limited Liability Company to recover a judgment in its favor if the managers with authority to do so have refused to bring the action and the managers' decision not to sue constitutes an abuse of discretion or involves a conflict of interest that prevents an unprejudiced exercise of judgment.

45 M.P.T.L. ch. 9 § 5

**§ 5. Proper Plaintiff**

In a derivative action, the plaintiff must be a member of the Limited Liability Company at the time of bringing the action and:

- a. must have been a member at the time of the transaction of which the member complains; or

b. the members' status as a member must have devolved upon him by operation of law or pursuant to the terms of the Operating Agreement from a Person who was a member at the time of the transaction.

45 M.P.T.L. ch. 9 § 6

#### **§ 6. Pleading**

In a derivative action, the complaint shall set forth, with particularity, the effort of the plaintiff to secure initiation of the action by a manager or the reasons for not making the effort.

45 M.P.T.L. ch. 9 § 7

#### **§ 7. Expenses**

If a derivative action is successful, in whole or in part, or if anything is received by the plaintiff as a result of a judgment, compromise, or settlement of an action or claim, the Court may award the plaintiff reasonable expenses, including attorneys' fees, and shall direct him to remit to the Limited Liability Company the remainder of those proceeds received by him.

45 M.P.T.L. ch. 9 § 8

#### **§ 8. Security and Costs**

a. In any action instituted in the right of any Limited Liability Company, unless the contributions to the Company property that are allocable to the plaintiff amount to 5% or more of the contribution of all members, or the contributions that are allocable to the plaintiff have a market value in excess of \$25,000, the Limited Liability Company in whose right the action is brought shall be entitled, at any time before final judgment, to require the plaintiff to give security for the costs and reasonable expenses which may be directly attributable to and incurred by it in the defense of the action or may be incurred by other parties named as defendant for which the Limited Liability Company may become legally liable, but not including attorneys' fees.

b. Market value shall be determined as of the date that the plaintiff institutes the action, or, in the case of an intervener, as of the date that he becomes a party to the action.

c. The amount and nature of the security shall be determined by the Court and the amount of the security may from time to time be increased or decreased by the Court, upon showing that the security provided has or may become inadequate or is excessive.

d. The Limited Liability Company shall have recourse to the security in the amount as the Court shall determine upon the termination of such action if the Court finds the action was brought without reasonable cause.

### **Historical and Statutory Notes**

**Derivation.**

Effective September 22, 2016, TCR090816-08 of 09 enacted 45 M.P.T.L., Limited Liability Company Law.

**Amendments.**

Effective October 25, 2018, TCR102518-04 of 06 amended 45 M.P.T.L., chapter 1 section 6. By Defining "Tribal Entity(ies)" and Chapter 2 section 5a to allow for one or more wholly owned Tribal Entities to form a Tribal LLC.