

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2271

Page 1, line 5, after the first comma, insert "45-10.1-58.2," and after the sixth comma insert "45-22-20.1,"

Page 194, after line 31, insert:

"SECTION 164. Section 45-10.1-58.2 of the North Dakota Century Code is created and enacted as follows:

45-10.1-58.2. Foreign limited partnership - Transaction of business without registering.

1. A foreign limited partnership transacting business in this state may not maintain any claim, action, suit, or proceeding in any court of this state until the foreign limited partnership registers with the secretary of state.
2. The failure of a foreign limited partnership to register does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any claim, action, suit, or proceeding in any court in this state.
3. A foreign limited partnership, by transacting business in this state without registering, appoints the secretary of state as the foreign limited partnership's agent upon whom any notice, process, or demand may be served.
4. A foreign limited partnership that transacts business in this state without registering is liable to the state for the years or parts of years during which the foreign limited partnership transacted business in this state without registering in an amount equal to all fees that would have been imposed by this chapter upon that foreign limited partnership had the foreign limited partnership duly registered, filed all reports required by this chapter, and paid all penalties imposed by this chapter. The attorney general shall bring proceedings to recover all amounts due this state under this section.
5. A foreign limited partnership that transacts business in this state without registering is subject to a civil penalty, payable to the state, not to exceed five thousand dollars. Each general partner and each agent who authorizes, directs, or participates in the transaction of business in this state on behalf of a foreign limited partnership that has not registered is subject to a civil penalty, payable to the state, not to exceed one thousand dollars.
6. The civil penalties set forth in subsection 5 may be recovered in an action brought within the district court of Burleigh County by the attorney general. Upon a finding by the court that a foreign limited partnership or any of the foreign limited partnership's general partners or agents have transacted business in this state in violation of this chapter, the court shall issue, in addition to the imposition of a civil penalty, an injunction restraining the further transaction of the business of the foreign limited partnership and further exercise of any rights and privileges by the foreign limited partnership in this state. The foreign limited partnership must be enjoined

from transacting business in this state until all civil penalties plus any interest and court costs that the court may assess have been paid and until the foreign limited partnership has otherwise complied with the provisions of this chapter."

Page 231, after line 10, insert:

"**SECTION 194.** Section 45-22-20.1 of the North Dakota Century Code is created and enacted as follows:

45-22-20.1. Foreign limited liability partnership - Transaction of business without registering.

1. A foreign limited liability partnership transacting business in this state may not maintain any claim, action, suit, or proceeding in any court of this state until the foreign limited liability partnership registers with the secretary of state.
2. The failure of a foreign limited liability partnership to register does not impair the validity of any contract or act of the foreign limited liability partnership or prevent the foreign limited liability partnership from defending any claim, action, suit, or proceeding in any court in this state.
3. A foreign limited liability partnership, by transacting business in this state without registering, appoints the secretary of state as the foreign limited liability partnership's agent upon whom any notice, process, or demand may be served.
4. A foreign limited liability partnership that transacts business in this state without registering is liable to the state for the years or parts of years during which the foreign limited liability partnership transacted business in this state without registering in an amount equal to all fees that would have been imposed by this chapter upon that foreign limited liability partnership had the foreign limited liability partnership duly registered, filed all reports required by this chapter, and paid all penalties imposed by this chapter. The attorney general shall bring proceedings to recover all amounts due this state under this section.
5. A foreign limited liability partnership that transacts business in this state without registering is subject to a civil penalty, payable to the state, not to exceed five thousand dollars. Each managing partner or agent who authorizes, directs, or participates in the transaction of business in this state on behalf of a foreign limited liability partnership that has not registered is subject to a civil penalty, payable to the state, not to exceed one thousand dollars.
6. The civil penalties set forth in subsection 5 may be recovered in an action brought within the district court of Burleigh County by the attorney general. Upon a finding by the court that a foreign limited liability partnership or any of the foreign limited liability partnership's managing partners or agents have transacted business in this state in violation of this chapter, the court shall issue, in addition to the imposition of a civil penalty, an injunction restraining the further transaction of the business of the foreign limited liability partnership and further exercise of any rights and privileges by the foreign limited liability partnership in this state. The foreign limited liability partnership must be enjoined from transacting business in this state until all civil penalties plus any interest and court costs that the court may assess

have been paid and until the foreign limited liability partnership has otherwise complied with the provisions of this chapter."

Renumber accordingly