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Sixty-second  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2174**

Introduced by

Senator Nething

Representative DeKrey

1 A BILL for an Act to create and enact subsection 6 to section 10-01.1-06, sections 10-15-51.1  
2 and 10-15-52.7, subsection 12 to section 10-15-54, sections 10-15-57.1 and 10-15-57.2,  
3 subsection 3 to section 10-19.1-149, subsection 3 to section 10-32-153, subsection 3 to section  
4 10-33-142, subsection 3 to section 45-10.2-112, section 45-21-04.3, and subsection 3 to section  
5 45-22-24 of the North Dakota Century Code, relating to listing of commercial registered agents,  
6 cooperative associations, corporations, limited liability companies, nonprofit corporations,  
7 limited partnerships, and general partnerships; and to amend and reenact sections 10-06.1-17  
8 and 10-15-08.1, subsection 37 of section 10-19.1-01, subsection 4 of section 10-19.1-10,  
9 sections 10-19.1-13 and 10-19.1-31, subsection 2 of section 10-19.1-51, section 10-19.1-52,  
10 subsection 2 of section 10-19.1-58, subsection 1 of section 10-19.1-68, subsection 2 of section  
11 10-19.1-70, subsection 1 of section 10-19.1-73, subsection 2 of section 10-19.1-84,  
12 subsection 1 of section 10-19.1-104, section 10-19.1-141, subsection 2 of section 10-19.1-146,  
13 section 10-19.1-147, subsection 39 of section 10-32-02, sections 10-32-07, 10-32-09, and  
14 10-32-10, subsection 1 of section 10-32-40, subsection 2 of section 10-32-51, section 10-32-68,  
15 subsection 2 of section 10-32-87, section 10-32-88, subsection 2 of section 10-32-94,  
16 subsection 1 of section 10-32-108, sections 10-32-144 and 10-32-150, subsection 5 of section  
17 10-32-152, subsection 27 of section 10-33-01, subsections 3 and 4 of section 10-33-06, section  
18 10-33-10, subsections 1, 2, and 3 of section 10-33-15, sections 10-33-26 and 10-33-28,  
19 subsection 2 of section 10-33-38, sections 10-33-39 and 10-33-43, subsection 2 of section  
20 10-33-44, subsection 2 of section 10-33-46, sections 10-33-49, 10-33-51, and 10-33-52,  
21 subsection 2 of section 10-33-54, subsection 11 of section 10-33-84, subsection 2 of section  
22 10-33-87, section 10-33-94, subsection 3 of section 10-33-98, section 10-33-134, subsection 1  
23 of section 10-33-140, sections 10-35-33, 45-10.2-10, 45-10.2-85, and 45-10.2-87, subsection  
24 15 of section 45-10.2-109, subsection 3 of section 45-22-03, and sections 45-22-04, 45-22-16,  
25 and 45-23-03 of the North Dakota Century Code, relating to annual reports of corporate limited

1 liability company farms, cooperative associations, business corporations, limited liability  
2 companies, nonprofit corporations, publicly traded corporations, limited partnerships, limited  
3 liability partnerships, and limited liability limited partnerships.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** Subsection 6 to section 10-01.1-06 of the North Dakota Century Code is  
6 created and enacted as follows:

7 6. The secretary of state may make minor modifications to the name of a registered  
8 agent in a previously filed record in order to cause the modified name to be consistent  
9 with the correct name of a proposed commercial registered agent when it can be  
10 concluded from the previously filed record that the name of the proposed commercial  
11 registered agent was intended.

12 **SECTION 2. AMENDMENT.** Section 10-06.1-17 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **10-06.1-17. Annual report - Contents - Filing requirements.**

15 Before April sixteenth of each year, every corporation engaged in farming or ranching after  
16 June 30, 1981, and every limited liability company engaged in farming or ranching shall file with  
17 the secretary of state an annual report ~~executed by the corporation's or limited liability-~~  
18 ~~company's president, vice president, secretary, or treasurer~~ signed as provided in subsection 53  
19 of section 10-19.1-01 if a corporation and subsection 58 of section 10-32-02 if a limited liability  
20 company. If the corporation or limited liability company is in the hands of a receiver or trustee, it  
21 must be signed on behalf of the corporation or limited liability company by the receiver or  
22 trustee. An annual report in a sealed envelope postmarked by the United States postal service  
23 before the date provided in this section or an annual report in a sealed packet with a verified  
24 shipment date by any other carrier service before the date provided in this section meets the  
25 filing date requirement. An annual report must include the following information with respect to  
26 the preceding calendar year:

- 27 1. The name of the corporation or limited liability company.  
28 2. The name of the registered agent of the corporation or limited liability company as  
29 provided in chapter 10-01.1 and, if a noncommercial registered agent, the address of  
30 the registered office of the corporation or limited liability company in this state.

- 1       3. With respect to each corporation:
  - 2           a. A statement of the aggregate number of shares the corporation has authority to
  - 3           issue, itemized by classes, par value of shares, shares without par value, and
  - 4           series, if any, within a class.
  - 5           b. A statement of the aggregate number of issued shares, itemized by classes, par
  - 6           value of shares, shares without par value, and series, if any, within a class.
- 7       4. With respect to each shareholder or member:
  - 8           a. The name and address of each, including the names and addresses and
  - 9           relationships of beneficiaries of trusts and estates which own shares or
  - 10          membership interests;
  - 11          b. The number of shares or membership interests or percentage of shares or
  - 12          membership interests owned by each;
  - 13          c. The relationship of each;
  - 14          d. A statement of whether each is a citizen or permanent resident alien of the United
  - 15          States; and
  - 16          e. A statement of whether at least one is an individual residing on or operating the
  - 17          farm or ranch.
- 18       5. With respect to management:
  - 19           a. If a corporation, then the names and addresses of the officers and members of
  - 20           the board of directors; or
  - 21           b. If a limited liability company, then the names and addresses of the managers and
  - 22           members of the board of governors.
- 23       6. A statement listing the acreage [hectarage] and location listed by section, township,
- 24       range, and county of all land in the state owned or leased by the corporation or limited
- 25       liability company and used for farming or ranching. The statement must also designate
- 26       which, if any, of the acreage [hectarage] is leased from or jointly owned with any
- 27       shareholder or member and list the name of the shareholder or member with that
- 28       acreage [hectarage].
- 29       7. A statement of the percentage of the annual average gross income of the corporation
- 30       or limited liability company which has been derived from farming or ranching

1 operations over the previous five years or for each year of existence if less than five  
2 years.

3 8. A statement of the percentage of gross income of the corporation or limited liability  
4 company derived from nonfarm rent, nonfarm royalties, dividends, interest, and  
5 annuities during the period covered by the report.

6 9. A corporation engaged in farming which fails to file an annual report is subject to the  
7 penalties provided in section 10-19.1-147 except that the penalties must be calculated  
8 from the date of the report required by this section.

9 10. A limited liability company engaged in farming which fails to file an annual report is  
10 subject to the penalties provided in subsections 5 and 6 of section 10-32-149 except  
11 that the penalties must be calculated from the date of the report required by this  
12 section.

13 **SECTION 3. AMENDMENT.** Section 10-15-08.1 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **10-15-08.1. Cooperative name.**

16 1. The cooperative name:

17 a. Must be expressed in letters or characters used in the English language as those  
18 letters or characters appear in the American standard code for information  
19 interchange (ASCII) table.

20 b. May contain the word "corporation" or "incorporated" or an abbreviation of either  
21 of those words.

22 c. May not contain a word or phrase that indicates or implies that it is organized for  
23 a purpose other than one or more business purposes for which a cooperative  
24 association may be organized under this chapter.

25 d. May not be the same as, or deceptively similar to, the name ~~of a domestic or~~  
26 foreign, whether foreign and authorized to do business in this state, or domestic,  
27 unless there is filed with the articles of association of a domestic cooperative of  
28 the application for authority of a foreign cooperative, a record in compliance with  
29 subsection 2 of:

30 (1) Another cooperative association;

31 (2) A corporation;

- 1                   (3) A limited liability company;  
2                   (4) A limited liability partnership;  
3                   (5) A limited partnership, whether profit or nonprofit, authorized to do business-  
4                   in this state, or a;  
5                   (6) A limited liability limited partnership;  
6                   (7) A name the right to which is, at the time of organization, in some manner  
7                   reserved, or is a;  
8                   (8) A fictitious name registered with the secretary of state as provided in  
9                   chapter 45-11, or is a;  
10                  (9) A trade name registered with the secretary of state as provided in chapter  
11                  47-25, unless there is filed with the articles; or  
12                  (10) A trademark or service mark registered in the manner provided in chapter  
13                  47-22.
- 14                  2. If the secretary of state determines a cooperative name is deceptively similar to  
15                  another name for purposes of this chapter, then the cooperative name may not be  
16                  used unless there is filed with the articles of association or application for authority:
- 17                  (1)a. A written consent to use the name obtained from the domestic or foreign  
18                  corporation, limited liability company, limited liability partnership, limited liability  
19                  limited partnership, or limited partnership authorized to do business in this state  
20                  having a deceptively similar name, or the holder of a reserved name, registered  
21                  trade name or, fictitious name, or trademark or service mark; or
- 22                  (2)b. A certified copy of a judgment of a court in this state establishing the prior right of  
23                  the applicant to the use of the name in this state.
- 24                  2-3. The secretary of state shall determine whether a cooperative name is deceptively  
25                  similar to another name for purposes of this chapter.
- 26                  3-4. This section and section 10-15-08.2 do not:
- 27                  a. Abrogate or limit:
- 28                         (1) The law of unfair competition or unfair practices;  
29                         (2) Chapter 47-25;  
30                         (3) The laws of the United States with respect to the right to acquire and protect  
31                         copyrights, trade names, trademarks, service names, and service marks; or

- 1                   (4) Any other rights to the exclusive use of names or symbols; or
- 2                   b. Derogate the common law or the principles of equity.
- 3    4.5. A cooperative that is involuntarily dissolved by the secretary of state under section
- 4                   10-15-36 may reacquire the right to use that name by reinstating the cooperative
- 5                   within the time provided in section 10-15-36 or by refiling articles of association, unless
- 6                   the name has been adopted for use or reserved by another person, in which case the
- 7                   filing must be rejected unless the filing is accompanied by a written consent or
- 8                   judgment as provided in subdivision d of subsection 1. A cooperative that is unable to
- 9                   reacquire the use of its name shall adopt a new name that complies with this section.
- 10                  6. A cooperative that files its articles of association with an effective date later than the
- 11                   date of filing as provided in section 10-15-07 shall maintain the right to the name until
- 12                   the effective date.

13                  **SECTION 4.** Section 10-15-51.1 of the North Dakota Century Code is created and enacted

14 as follows:

15                  **10-15-51.1. Foreign cooperative - Name.**

16                  A foreign cooperative may apply for a certificate of authority under any name that would be

17 available to a domestic cooperative, whether the name is the name under which it is authorized

18 in its jurisdiction of origin. A trade name must be registered as provided in chapter 47-25 when

19 applying for a certificate of authority under a name different from the name authorized in the

20 jurisdiction of origin.

21                  **SECTION 5.** Section 10-15-52.7 of the North Dakota Century Code is created and enacted

22 as follows:

23                  **10-15-52.7. Foreign cooperative - Revocation of certificate of authority.**

- 24                  1. The certificate of authority of a foreign cooperative to transact business in this state
- 25                   may be revoked by the secretary of state if:
- 26                   a. The foreign cooperative has failed to:
- 27                         (1) Appoint and maintain a registered agent, and if a noncommercial registered
- 28                         agent, then the registered office of the noncommercial registered agent as
- 29                         provided in chapter 10-01.1;
- 30                         (2) File in the office of the secretary of state any amendment to its application
- 31                         for a certificate of authority as provided in section 10-15-52.3;

1           (3) File in the office of the secretary of state any merger as provided in section  
2           10-15-52.1;

3           (4) File in the office of the secretary of state an application for a certificate of  
4           withdrawal of its authority as provided in section 10-15-52.6 when the  
5           cooperative's existence has expired or the cooperative has been dissolved  
6           in the jurisdiction of origin; or

7           b. A misrepresentation has been made of any material matter in any application,  
8           report, affidavit, or other record submitted by the foreign cooperative pursuant to  
9           this chapter.

10          2. Except for revocation of the certificate of authority for failure to file the annual report as  
11          provided in section 10-15-36, no certificate of authority of a foreign cooperative may  
12          be revoked by the secretary of state unless:

13          a. The secretary of state has given the foreign cooperative at least sixty days' notice  
14          by mail addressed to its registered agent at the registered office in this state or, if  
15          the foreign cooperative fails to appoint and maintain a registered agent in this  
16          state, then addressed to its principal executive office; and

17          b. During the sixty-day period, the foreign cooperative has failed to:

18                 (1) File the report of change as provided in chapter 10-01.1 regarding the  
19                 registered office or the registered agent;

20                 (2) File any amendment;

21                 (3) File any merger;

22                 (4) File an application for certificate of withdrawal; or

23                 (5) Correct the misrepresentation.

24          3. Upon the expiration of sixty days after the mailing of the notice, the authority of the  
25          foreign cooperative to transact business in this state ceases and the secretary of state  
26          shall issue a notice of revocation and shall mail the notice to the registered agent at  
27          the registered office in this state or, if the foreign cooperative failed to appoint and  
28          maintain a registered agent or a registered office in this state, then addressed to the  
29          principal executive office of the foreign cooperative.

30          **SECTION 6.** Subsection 12 to section 10-15-54 of the North Dakota Century Code is  
31          created and enacted as follows:

1        12. Filing a statement of correction, twenty dollars.

2        **SECTION 7.** Section 10-15-57.1 of the North Dakota Century Code is created and enacted  
3 as follows:

4        **10-15-57.1. Correcting a filed record.**

5        With respect to correction of a filed record:

6        1. Whenever a record authorized by this chapter to be filed with the secretary of state  
7        has been filed and inaccurately records the action referred to in the record, contains  
8        an inaccurate or erroneous statement, or was defectively or erroneously signed,  
9        sealed, acknowledged, or verified, the record may be corrected by filing a statement of  
10       correction.

11       2. A statement of correction:

12       a. Must:

13            (1) Be signed by:

14                    (a) The person that signed the original record; or

15                    (b) By a person authorized to sign on behalf of that person;

16            (2) Set forth the name of the cooperative that filed the record;

17            (3) Identify the record to be corrected by description and by the date of its filing  
18            with the secretary of state;

19            (4) Identify the inaccuracy, error, or defect to be corrected; and

20            (5) Set forth a statement in corrected form of the portion of the record to be  
21            corrected.

22        b. May not revoke or nullify the record.

23        3. The statement of correction must be filed with the secretary of state.

24        4. With respect to the effective date of correction:

25        a. A certificate issued by the secretary of state before a record is corrected, with  
26        respect to the effect of filing the original record, is considered to be applicable to  
27        the record as corrected as of the date the record as corrected is considered to  
28        have been filed under this subsection.

29        b. After a statement of correction has been filed with the secretary of state, the  
30        original record as corrected is considered to have been filed on the date the  
31        original record was filed as to all other persons and for all other purposes.

1       **SECTION 8.** Section 10-15-57.2 of the North Dakota Century Code is created and enacted  
2 as follows:

3       **10-15-57.2. Secretary of state - Certificates and certified copies to be received in**  
4 **evidence.**

- 5       1. All certificates issued by the secretary of state and all copies of records filed in  
6 accordance with this chapter, when certified by the secretary of state, must be taken  
7 and received in all courts, public offices, and official bodies as prima facie evidence of  
8 the facts stated.
- 9       2. A certificate by the secretary of state under the great seal of this state, as to the  
10 existence or nonexistence of the facts relating to a cooperative which would not  
11 appear from a certified copy of any of the foregoing records or certificates, must be  
12 taken and received in all courts, public offices, and official bodies as prima facie  
13 evidence of the existence or nonexistence of the facts stated.
- 14       3. Any certificate or certified copy issued by the secretary of state under this section may  
15 be created and disseminated as an electronic record with the same force and effect as  
16 if produced in a paper form.

17       **SECTION 9. AMENDMENT.** Subsection 37 of section 10-19.1-01 of the North Dakota  
18 Century Code is amended and reenacted as follows:

- 19       37. "Officer" means an individual who is eighteen years of age or more who is:
  - 20       a. Elected, appointed, or otherwise designated as ~~an~~the president, the treasurer, or  
21 any other officer by the board pursuant to section 10-19.1-57; or
  - 22       b. Deemed elected as an officer pursuant to section 10-19.1-56.

23       **SECTION 10. AMENDMENT.** Subsection 4 of section 10-19.1-10 of the North Dakota  
24 Century Code is amended and reenacted as follows:

- 25       4. The following provisions relating to the management of the business or the regulation  
26 of the affairs of a corporation may be included either in the articles or, except for  
27 naming members of the first board fixing a greater than majority director or  
28 shareholder vote or giving or prescribing the manner of giving voting rights to persons  
29 other than shareholders otherwise than pursuant to the articles, or eliminating or  
30 limiting a director's personal liability, in the bylaws:

- 1           a. The members of the first board may be named in the articles as provided in
- 2           subsection 1 of section 10-19.1-32.
- 3           b. A manner for increasing or decreasing the number of directors as provided in
- 4           section 10-19.1-33.
- 5           c. Additional qualifications for directors may be imposed as provided in section
- 6           10-19.1-34.
- 7           d. Directors may be classified as provided in section 10-19.1-38.
- 8           e. The day or date, time, and place of board meetings may be fixed as provided in
- 9           subsection 1 of section 10-19.1-43.
- 10          f. Absent directors may be permitted to give written consent or opposition to a
- 11          proposal as provided in section 10-19.1-44.
- 12          g. A larger than majority vote may be required for board action as provided in
- 13          section 10-19.1-46.
- 14          h. A director's personal liability to the corporation or its shareholders for monetary
- 15          damages for breach of fiduciary duty as a director may be eliminated or limited in
- 16          the articles as provided in section 10-19.1-50.
- 17          i. Authority to sign and deliver certain documents may be delegated to an officer or
- 18          agent of the corporation other than the president as provided in section
- 19          10-19.1-53.
- 20          j. Additional officers may be designated as provided in section 10-19.1-52.
- 21          k. Additional powers, rights, duties, and responsibilities may be given to officers as
- 22          provided in section 10-19.1-53.
- 23          l. A method for filling vacant offices may be specified as provided in subsection 3 of
- 24          section 10-19.1-58.
- 25          m. A certain officer or agent may be authorized to sign share certificates as provided
- 26          in subsection 1 of section 10-19.1-66.
- 27          n. The transfer or registration of transfer of securities may be restricted as provided
- 28          in section 10-19.1-70.
- 29          o. The day or date, time, and place of regular shareholder meetings may be fixed as
- 30          provided in subsection 3 of section 10-19.1-71.

- 1 p. Certain persons may be authorized to call special meetings of shareholders as  
2 provided in subsection 1 of section 10-19.1-72.
- 3 q. Notices of shareholder meetings may be required to contain certain information  
4 as provided in subsection 3 of section 10-19.1-73.
- 5 r. ~~A larger than majority vote may be required for shareholder action as provided in~~  
6 ~~section 10-19.1-74.~~ Voting rights may be granted in or pursuant to the articles to  
7 persons who are not shareholders as provided in subsection 6 of section  
8 10-19.1-73.2.
- 9 s. ~~Voting rights may be granted in or pursuant to the articles to persons who are not~~  
10 ~~shareholders as provided in subsection 6 of section 10-19.1-73.2.~~ A larger than  
11 majority vote may be required for shareholder action as provided in section  
12 10-19.1-74.
- 13 t. Corporate actions giving rise to dissenter rights may be designated as provided  
14 in subdivision d of subsection 1 of section 10-19.1-87.
- 15 u. The rights and priorities of persons to receive distributions may be established as  
16 provided in section 10-19.1-92.

17 **SECTION 11. AMENDMENT.** Section 10-19.1-13 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **10-19.1-13. Corporate name.**

- 20 1. The corporate name:
- 21 a. Must be expressed in letters or characters used in the English language ~~or in any~~  
22 ~~other language expressed in English~~ as those letters or characters appear in the  
23 American standard code for information interchange (ASCII) table.
- 24 b. Must contain the word "company", "corporation", "incorporated", "limited", or an  
25 abbreviation of one or more of these words.
- 26 c. May not contain the words "limited liability company", "limited partnership",  
27 "limited liability partnership", "limited liability limited partnership", or any  
28 abbreviation of these words.
- 29 d. May not contain a word or phrase that indicates or implies the corporation:  
30 (1) Is incorporated for a purpose other than:

- 1 (a) A lawful business purpose for which a corporation may be  
2 incorporated under this chapter; or  
3 (b) For a purpose stated in its articles of incorporation; or  
4 (2) May not be incorporated under this chapter.
- 5 e. May not be the same as, or deceptively similar to:  
6 (1) The name, whether foreign and authorized to do business in this state or  
7 domestic, unless there is filed with the articles a record that complies with  
8 subsection 3, of:  
9 (a) Another corporation;  
10 (b) A corporation incorporated or authorized to do business in this state  
11 under another chapter of this code;  
12 (c) A limited liability company;  
13 (d) A limited partnership;  
14 (e) A limited liability partnership; or  
15 (f) A limited liability limited partnership;  
16 (2) A name the right to which is, at the time of incorporation, reserved in the  
17 manner provided in section 10-19.1-14, 10-32-11, 10-33-11, 45-10.2-11,  
18 45-13-04.2, or 45-22-05;  
19 (3) A fictitious name registered in the manner provided in chapter 45-11; ~~or~~  
20 (4) A trade name registered in the manner provided in chapter 47-25; or  
21 (5) A trademark or service mark registered in the manner provided in chapter  
22 47-22.
- 23 2. The secretary of state shall determine whether a corporate name is "deceptively  
24 similar" to another name for purposes of this chapter.
- 25 3. If the secretary of state determines that a corporate name is "deceptively similar" to  
26 another name for purposes of this chapter, then the corporate name may not be used  
27 unless there is filed with the articles:  
28 a. The written consent of the holder of the rights to the name to which the proposed  
29 name has been determined to be deceptively similar; or  
30 b. A certified copy of a judgment of a court in this state establishing the prior right of  
31 the applicant to the use of the name in this state.

- 1           4. This subsection does not affect the right of a domestic corporation existing on July 1,  
2           1986, or a foreign corporation authorized to do business in this state on that date to  
3           continue the use of its name.
- 4           5. This section and section 10-19.1-14 do not:
- 5           a. Abrogate or limit:
- 6                 (1) The law of unfair competition or unfair practices;  
7                 (2) Chapter 47-25;  
8                 (3) The laws of the United States with respect to the right to acquire and protect  
9                 copyrights, trade names, trademarks, service names, service marks; or  
10                (4) Any other rights to the exclusive use of names or symbols; or
- 11          b. Derogate the common law or the principles of equity.
- 12          6. A domestic or foreign corporation that is the surviving organization in a merger with  
13          one or more other organizations, or that acquires by sale, lease, or other disposition to  
14          or exchange with an organization all or substantially all of the assets of another  
15          organization including its name, may have the same name, subject to the  
16          requirements of subsection 1, as that used in this state by any of the other  
17          organizations, if the other organization whose name is sought to be used:
- 18          a. Was incorporated, organized, formed, or registered under the laws of this state;  
19          b. Is authorized to transact business or conduct activities in this state;  
20          c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,  
21          10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;  
22          d. Holds a fictitious name registered in the manner provided in chapter 45-11; or  
23          e. Holds a trade name registered in the manner provided in chapter 47-25; or  
24          f. Holds a trademark or service mark registered in the manner provided in chapter  
25          47-22.
- 26          7. The use of a name by a corporation in violation of this section does not affect or vitiate  
27          its corporate existence. However, a court in this state may, upon application of the  
28          state or of an interested or affected person, enjoin the corporation from doing business  
29          under a name assumed in violation of this section, although its articles may have been  
30          filed with the secretary of state and a certificate of incorporation issued.

- 1           8. A corporation whose period of existence has expired or that is involuntarily dissolved  
2           by the secretary of state pursuant to section 10-19.1-146 may reacquire the right to  
3           use that name by refiling articles of incorporation pursuant to section 10-19.1-11,  
4           unless the name has been adopted for use or reserved by another person, in which  
5           case the filing will be rejected unless the filing is accompanied by a written consent or  
6           judgment as provided in subsection 2. A corporation that cannot reacquire the use of  
7           its corporate name shall adopt a new corporate name that complies with the provisions  
8           of this section:
- 9           a. By refiling articles of incorporation pursuant to section 10-19.1-11;  
10          b. By amending pursuant to section 10-19.1-17; or  
11          c. By reinstating pursuant to section 10-19.1-146.
- 12          9. Subject to section 10-19.1-133, this section applies to any foreign corporation  
13          transacting business in this state, having a certificate of authority to transact business  
14          in this state, or applying for a certificate of authority.
- 15          10. An amendment that only changes the name of the corporation may be authorized by a  
16          resolution approved by the board and may, but need not, be submitted to and  
17          approved by the shareholders as provided in section 10-19.1-18.
- 18          11. A corporation that files its articles of incorporation with an effective date later than the  
19          date of filing as provided in subsection 1 of section 10-19.1-12 shall maintain the right  
20          to the name until the effective date.

21           **SECTION 12. AMENDMENT.** Section 10-19.1-31 of the North Dakota Century Code is  
22   amended and reenacted as follows:

23           **10-19.1-31. Bylaws.**

- 24          1. A corporation may, but need not, have bylaws. Bylaws may contain any provision  
25          relating to the management or the regulation of the affairs of the corporation not  
26          inconsistent with section 10-19.1-32 or any other provision of law or the articles,  
27          including:
- 28           a. The number of directors, and the qualifications, manner of election, powers,  
29           duties, and compensation, if any, of directors;
- 30           b. The qualifications of shareholders;
- 31           c. Different classes of shares;

- 1           d. The manner of admission, withdrawal, suspension, and expulsion of
- 2           shareholders;
- 3           e. Property, voting, and other rights and privileges of shareholders;
- 4           f. The appointment and authority of committees;
- 5           g. The appointment or election, duties, compensation, and tenure of officers;
- 6           h. The time, place, and manner of calling, conducting, and giving notice of
- 7           shareholder, board, and committee meetings, or of conducting mail ballots;
- 8           i. The making of reports and financial statements to shareholders; or
- 9           j. The number establishing a quorum for meetings of members and the board.

10       2. ~~Initial~~Unless reserved by the articles to shareholders with voting rights, ~~initial~~ bylaws  
11       may be adopted by ~~the first board or by~~ a majority of the incorporators, or by the first  
12       board pursuant to section 10-19.1-30. Unless reserved by the articles to the  
13       shareholders with voting rights, the power to adopt, amend, or repeal the bylaws is  
14       vested in the board. The power of the board is subject to the power of the  
15       shareholders, exercisable in the manner provided in subsection 3, to adopt, amend, or  
16       repeal bylaws adopted, amended, or repealed by the board.

17       3. Unless the articles or bylaws provide otherwise, a shareholder or shareholders holding  
18       five percent or more of the voting power of the shares entitled to vote may propose a  
19       resolution for action by the shareholders to adopt, amend, or repeal bylaws adopted,  
20       amended, or repealed by the board.

21       a. The resolution must set forth the provisions proposed for adoption, amendment,  
22       or repeal.

23       b. The limitations and procedures for submitting, considering, and adopting the  
24       resolution are the same as provided in subsections 2, 3, and 4 of section  
25       10-19.1-19 for amendment of the articles.

26       e. ~~The articles or bylaws may impose different or additional requirements for the~~  
27       ~~shareholders to adopt, amend, or repeal the bylaws.~~

28       **SECTION 13. AMENDMENT.** Subsection 2 of section 10-19.1-51 of the North Dakota  
29       Century Code is amended and reenacted as follows:

30       2. The contract or transaction described in subsection 1 is not void or voidable if:

- 1           a. The contract or transaction was, and the person asserting the validity of the  
2           contract or transaction was, fair and reasonable as to the corporation at the time  
3           it was authorized, approved, or ratified;
- 4           b. The material facts as to the contract or transaction and as to the director's or  
5           directors' interest are fully disclosed or known to the holders of all outstanding  
6           shares, whether or not entitled to vote, and the contract or transaction is  
7           approved in good faith by:
- 8           (1) The holders of two-thirds of the voting power of the shares entitled to vote  
9           which are owned by persons other than the interested director or directors;  
10          or
- 11          (2) The unanimous affirmative vote of the holder of all outstanding shares,  
12          whether or not entitled to vote;
- 13          c. The material facts as to the contract or transaction and as to the director's or  
14          directors' interest are fully disclosed or known to the board or a committee, and  
15          the board or committee authorizes, approves, or ratifies the contract or  
16          transaction in good faith by a majority of the directors or committee members  
17          currently holding office, ~~but:~~
- 18          (1) ~~However,~~ the interested director or directors ~~shall~~may not vote and are not  
19          ~~be counted in determining~~considered for purposes of a quorum.
- 20          (2) If as a result, the number of remaining directors is not sufficient to reach a  
21          quorum, then a quorum for the purpose of considering the contract or  
22          transaction is the number of remaining directors or committee members, not  
23          counting any vote that the interested director might otherwise have in, and  
24          not counting the director in determining the presence of a quorum and shall  
25          ~~not vote;~~ or
- 26          d. The contract or transaction is a distribution described in subsection 1 of section  
27          10-19.1-92 or a merger or exchange described in subsection 1 or 2 of section  
28          10-19.1-96.

29           **SECTION 14. AMENDMENT.** Section 10-19.1-52 of the North Dakota Century Code is  
30   amended and reenacted as follows:

1       **10-19.1-52. Officers.**

2       1. The officers of a corporation must be individuals who are eighteen years of age or  
3       more, exercising the functions of the offices and shall:

4       a. Must consist of a president, a secretary, and a treasurer, however designated;  
5       and may

6       b. May also include one or more vice presidents and any other officers or agents,  
7       however designated, as may be provided in the bylaws. Each of the officers

8       2. Unless the articles or the bylaws provide that the shareholders with voting rights may  
9       elect the officers:

10       a. Each officer must be elected by the board at the time and in the manner as  
11       may be provided in the bylaws unless the articles or bylaws provide that the  
12       shareholders may elect the officers.; or

13       b. To the extent authorized in the articles, the bylaws, or a resolution approved by  
14       the affirmative vote of a majority of the directors present, the president may  
15       appoint one or more officers, other than the treasurer.

16       3. Unless otherwise provided, president means chief executive officer and treasurer  
17       means chief financial officer.

18       **SECTION 15. AMENDMENT.** Subsection 2 of section 10-19.1-58 of the North Dakota  
19 Century Code is amended and reenacted as follows:

20       2. With respect to removal:

21       a. Except as otherwise provided in the articles and bylaws, an officer may be  
22       removed at any time, with or without cause, by a resolution approved by the  
23       affirmative vote of a majority of the directors present, subject to the provisions of  
24       a shareholder control agreement. The removal is without prejudice to any  
25       contractual rights of the officer.

26       b. An officer appointed by the president also may be removed at any time, with or  
27       without cause, by the president.

28       c. To the extent authorized in the articles, the bylaws, or a resolution approved by  
29       the affirmative vote of a majority of the directors present, the president may  
30       remove an officer elected or appointed by the board, other than the treasurer.

31       d. The articles or the bylaws may provide other manners of removing an officer.

- 1           e. A removal as described in this subsection is without prejudice to any contractual  
2                     rights of the officer.

3           **SECTION 16. AMENDMENT.** Subsection 1 of section 10-19.1-68 of the North Dakota  
4 Century Code is amended and reenacted as follows:

- 5           1. A corporation may issue fractions of a share originally or upon transfer. If it does not  
6 issue fractions of a share, then it shall in connection with an original issuance of  
7 shares:  
8           a. Arrange for the disposition of fractional interests by those entitled to them;  
9           b. Pay in money the fair value of fractions of a share as of the time when persons  
10 entitled to receive the fractions are determined; or  
11           c. Issue scrip or warrants in registered or bearer form that entitle the holder to  
12 receive a certificate for a full share upon the surrender of the scrip or warrants  
13 aggregating a full share.

14           **SECTION 17. AMENDMENT.** Subsection 2 of section 10-19.1-70 of the North Dakota  
15 Century Code is amended and reenacted as follows:

- 16           2. A written restriction on the transfer or registration of transfer of securities of a  
17 corporation which is not manifestly unreasonable under the circumstances and is  
18 noted conspicuously on the face or back of the certificate or included in information  
19 sent to the holders of uncertificated shares in accordance with subsection 6 of section  
20 10-19.1-66 ~~may be enforced~~ is valid and specifically enforceable against the holder of  
21 the restricted securities or a successor or transferee of the holder, including a pledgee  
22 or a legal representative.  
23           a. Unless noted conspicuously on the face or back of the certificate or included in  
24 information sent to holders of uncertificated shares in accordance with  
25 subsection 6 of section 10-19.1-66, a restriction, even though permitted by this  
26 section, is ineffective against a person without knowledge of the restriction.  
27           b. A restriction under this section is deemed to be noted conspicuously and is  
28 effective if the existence of the restriction is stated on the certificate and  
29 reference is made to a separate record creating or describing the restriction.

30           **SECTION 18. AMENDMENT.** Subsection 1 of section 10-19.1-73 of the North Dakota  
31 Century Code is amended and reenacted as follows:

- 1           1. Except as otherwise provided in this chapter, notice of all meetings of shareholders  
2           must be given to every holder of shares entitled to vote unless:
- 3           a. The meeting is an adjourned meeting to be held not more than one hundred  
4           twenty days after the date fixed for the original meeting and the date, time, and  
5           place of the meeting were announced at the time of the original meeting or any  
6           adjournment of the original meeting; or
- 7           b. The following have been mailed by first-class mail to a shareholder at the  
8           address in the corporate records and returned nondeliverable:
- 9           (1) Two consecutive ~~annual~~regular meeting notices and notices of any special  
10           meetings held during the period between the two ~~annual~~regular meetings;  
11           or
- 12           (2) All payments of distributions, provided there were at least two sent during a  
13           twelve-month period.

14           An action or meeting that is taken or held without notice under this subdivision  
15           has the same force and effect as if notice was given. If the shareholder delivers a  
16           written notice of the shareholder's current address to the corporation, the notice  
17           requirement is reinstated.

18           **SECTION 19. AMENDMENT.** Subsection 2 of section 10-19.1-84 of the North Dakota  
19           Century Code is amended and reenacted as follows:

- 20           2. A corporation shall keep, at its principal executive office or at another place or places  
21           within the United States determined by the board, ~~or~~and, if its principal executive office  
22           or any such other place is outside of this state, shall make available at its registered  
23           office or at its principal office within this state within ten days after receipt by an officer  
24           of the corporation of a written demand for them made by a person described in  
25           subsection 4 or 5, originals or copies of:
- 26           a. Records of all proceedings of shareholders for the last three years;
- 27           b. Records of all proceedings of the board for the last three years;
- 28           c. Its articles and all amendments currently in effect;
- 29           d. Its bylaws and all amendments currently in effect;
- 30           e. Financial statements required by section 10-19.1-85 and the financial statement  
31           for the most recent interim period prepared in the course of the operation of the

- 1 corporation for distribution to the shareholders or to a governmental agency as a  
2 matter of public record;
- 3 f. Reports made to shareholders generally within the last three years;
- 4 g. A statement of the names and usual business addresses of its directors and  
5 principal officers;
- 6 h. Voting trust agreements described in section 10-19.1-81;
- 7 i. Shareholder control agreements described in section 10-19.1-83; and
- 8 j. A copy of agreements, contracts, or other arrangements or portions of them  
9 incorporated by reference under subsection 8 of section 10-19.1-10.

10 **SECTION 20. AMENDMENT.** Subsection 1 of section 10-19.1-104 of the North Dakota  
11 Century Code is amended and reenacted as follows:

- 12 1. A corporation, by affirmative vote of a majority of the directors present upon those  
13 terms and conditions and for those considerations, which may be money, securities, or  
14 other instruments for the payment of money or other property, as the board deems  
15 expedient, and without shareholder approval, may:
- 16 a. Sell, lease, transfer, or otherwise dispose of all or substantially all of its property  
17 and assets in the usual and regular course of its business;
- 18 b. Grant a security interest in all or substantially all of its property and assets  
19 whether or not in the usual and regular course of its business; or
- 20 c. Transfer any or all of its property to an organization all the ownership interests of  
21 which are owned directly, or indirectly through wholly owned organizations, by the  
22 corporation.

23 **SECTION 21. AMENDMENT.** Section 10-19.1-141 of the North Dakota Century Code is  
24 amended and reenacted as follows:

25 **10-19.1-141. Foreign corporation - Revocation of certificate of authority.**

- 26 1. The certificate of authority of a foreign corporation to transact business in this state  
27 may be revoked by the secretary of state if:
- 28 a. The foreign corporation has failed to:
- 29 (1) Appoint and maintain a registered agent, and if a noncommercial registered  
30 agent, then the registered office of the noncommercial registered agent as  
31 provided in chapter 10-01.1; or

- 1                   (2) File in the office of the secretary of state any amendment to its application  
2                   for a certificate of authority as ~~specified~~provided in section 10-19.1-137;
- 3                   (3) File in the office of the secretary of state any merger as provided in section  
4                   10-19.1-139; or
- 5                   (4) File in the office of the secretary of state an application for certificate of  
6                   withdrawal of its authority as provided in section 10-19.1-140 when the  
7                   corporation's existence has expired or the corporation has been dissolved in  
8                   the jurisdiction of incorporation; or
- 9                   b. A misrepresentation has been made of any material matter in any application,  
10                  report, affidavit, or other record submitted by the foreign corporation pursuant to  
11                  this chapter.
- 12                  2. Except for revocation of the certificate of authority for failure to file the annual report as  
13                  provided in section 10-19.1-146, no certificate of authority of a foreign corporation may  
14                  be revoked by the secretary of state unless:
- 15                  a. The secretary of state has given the foreign corporation at least sixty days' notice  
16                  by mail addressed to its registered agent at the registered office in this state or, if  
17                  the foreign corporation fails to appoint and maintain a registered agent in this  
18                  state, then addressed to its principal executive office; and
- 19                  b. During the sixty-day period, the foreign corporation has failed to:
- 20                       (1) File the report of change as provided in chapter 10-01.1 regarding the  
21                       registered office or the registered agent;
- 22                       (2) File any amendment; ~~or~~
- 23                       (3) File any merger;
- 24                       (4) File an application for withdrawal; or
- 25                       (5) Correct the misrepresentation.
- 26                  3. Upon the expiration of sixty days after the mailing of the notice, the authority of the  
27                  foreign corporation to transact business in this state ceases; and the secretary of state  
28                  shall issue a notice of revocation and shall mail the notice to the registered agent at  
29                  the registered office in this state or, if the foreign corporation failed to appoint and  
30                  maintain a registered agent or a registered office in this state, then addressed to the  
31                  principal executive office of the foreign corporation.

1       **SECTION 22. AMENDMENT.** Subsection 2 of section 10-19.1-146 of the North Dakota  
2 Century Code is amended and reenacted as follows:

3       2. The annual report must be submitted on forms prescribed by the secretary of state.  
4       The information provided must be given as of the date of the execution of the report.  
5       The annual report must be signed as provided in subsection 5253 of section  
6       10-19.1-01, ~~or the articles or the bylaws or a resolution approved by the affirmative~~  
7       ~~vote of the required proportion or number of the directors or holders of shares entitled~~  
8       ~~to vote.~~ If the corporation or foreign corporation is in the hands of a receiver or trustee,  
9       it must be signed on behalf of the corporation or foreign corporation by the receiver or  
10       trustee. The secretary of state may destroy all annual reports provided for in this  
11       section after they have been on file for six years.

12       **SECTION 23. AMENDMENT.** Section 10-19.1-147 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14       **10-19.1-147. Fees for filing records - Issuing certificates - License fees.**

15       The secretary of state shall charge and collect for:

- 16       1. Filing articles of incorporation and issuing a certificate of incorporation, one hundred  
17       dollars.
- 18       2. Filing articles of amendment, twenty dollars.
- 19       3. Filing ~~articles~~ a statement of correction, twenty dollars.
- 20       4. Filing restated articles of incorporation, thirty dollars.
- 21       5. Filing articles of conversion of a corporation or a certificate of fact of conversion of a  
22       foreign corporation, fifty dollars and:
- 23       a. If the organization resulting from the conversion will be a domestic organization  
24       governed by the laws of this state, then the fees provided by the governing laws  
25       to establish or register a new organization like the organization resulting from the  
26       conversion; or
- 27       b. If the organization resulting from the conversion will be a foreign organization that  
28       will transact business in this state, then the fees provided by the governing laws  
29       to obtain a certificate of authority or register an organization like the organization  
30       resulting from the conversion.
- 31       6. Filing abandonment of conversion, fifty dollars.

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- 1       7.   Filing articles of merger or consolidation and issuing a certificate of merger or
- 2           consolidation, fifty dollars.
- 3       8.   Filing articles of abandonment of merger, fifty dollars.
- 4       9.   Filing an application to reserve a corporate name, ten dollars.
- 5       10.  Filing a notice of transfer of a reserved corporate name, ten dollars.
- 6       11.  Filing a cancellation of reserved corporate name, ten dollars.
- 7       12.  Filing a consent to use of name, ten dollars.
- 8       13.  Filing a statement of change of address of registered office, change of registered
- 9           agent, or both, or a change of address of registered office by registered agent, the fee
- 10          provided in section 10-01.1-03.
- 11      14.  Filing a statement of the establishment of a series of shares, twenty dollars.
- 12      15.  Filing a statement of cancellation of shares, twenty dollars.
- 13      16.  Filing a statement of reduction of stated capital, twenty dollars.
- 14      17.  Filing a statement of intent to dissolve, ten dollars.
- 15      18.  Filing a statement of revocation of voluntary dissolution proceedings, ten dollars.
- 16      19.  Filing articles of dissolution, twenty dollars.
- 17      20.  Filing an application of a foreign corporation for a certificate of authority to transact
- 18          business in this state and issuing a certificate of authority, one hundred forty-five
- 19          dollars.
- 20      21.  Filing an application of a foreign corporation for an amended certificate of authority to
- 21          transact business in this state and issuing an amended certificate of authority, forty
- 22          dollars.
- 23      22.  Filing a certificate of fact stating a merger or consolidation of a foreign corporation
- 24          holding a certificate of authority to transact business in this state, fifty dollars.
- 25      23.  Filing an application for withdrawal of a foreign corporation and issuing a certificate of
- 26          withdrawal, twenty dollars.
- 27      24.  Filing an annual report of a corporation or foreign corporation, twenty-five dollars.
- 28          a.   The secretary of state shall charge and collect additional fees for late filing of the
- 29              annual report as follows:
- 30                  (1)  Within ninety days after the date provided in subsection 3 of section
- 31                      10-19.1-146, twenty dollars;

- 1           (2) Thereafter, sixty dollars; and
- 2           (3) After the involuntary dissolution of a corporation, or the revocation of the
- 3                 certificate of authority of a foreign corporation, the reinstatement fee of one
- 4                 hundred thirty-five dollars.
- 5           b. Fees paid to the secretary of state according to this subsection are not
- 6                 refundable if an annual report submitted to the secretary of state cannot be filed
- 7                 because it lacks information required by section 10-19.1-146, or the annual report
- 8                 lacks sufficient payment as required by this subsection.
- 9       25. Filing any process, notice, or demand for service, the fee provided in section
- 10           10-01.1-03.
- 11       26. Furnishing a certified copy of any record, instrument, or paper relating to a
- 12           corporation, the fee provided in section 54-09-04 for copying a record and fifteen
- 13           dollars for the certificate and affixing the seal thereto.
- 14       27. Any record submitted for approval before the actual time of submission for filing,
- 15           one-half of the fee provided in this section for filing the record.
- 16       28. Filing any other statement of a corporation or foreign corporation, ten dollars.

17       **SECTION 24.** Subsection 3 to section 10-19.1-149 of the North Dakota Century Code is

18 created and enacted as follows:

- 19       3. Any certificate or certified copy issued by the secretary of state under this section may
- 20           be created and disseminated as an electronic record with the same force and effect as
- 21           if produced in a paper form.

22       **SECTION 25. AMENDMENT.** Subsection 39 of section 10-32-02 of the North Dakota

23 Century Code is amended and reenacted as follows:

- 24       39. "Manager" means an individual who is eighteen years of age or more and who is:
- 25           a. ~~An individual who is eighteen years of age or more and who is elected~~Elected,
- 26                 appointed, or otherwise designated as athe president, the treasurer, or any other
- 27                 manager ~~by the board~~pursuant to section 10-32-88; and/or
- 28           b. ~~An individual considered~~Deemed elected as a manager pursuant to section
- 29                 10-32-92.

30       **SECTION 26. AMENDMENT.** Section 10-32-07 of the North Dakota Century Code is

31 amended and reenacted as follows:

1       **10-32-07. Articles of organization.**

2       1. The articles of organization must contain:

3           a. The name of the limited liability company;

4           b. The name of the registered agent of the limited liability company as provided in  
5           chapter 10-01.1 and, if a noncommercial registered agent, then the address of  
6           such noncommercial registered agent in this state;

7           c. The name and address of each organizer;

8           d. The effective date of organization:

9               (1) If a later date than that on which the certificate of organization is issued by  
10              the secretary of state; and

11              (2) Which may not be later than ninety days after the date on which the  
12              certificate of organization is issued; and

13           e. If the articles of organization are filed with the secretary of state:

14               (1) Before July 1, 1999, a statement stating in years that the period of existence  
15              for the limited liability company must be a period of thirty years from the  
16              date the articles of organization are filed with the secretary of state, unless  
17              the articles of organization expressly authorize a shorter or longer period of  
18              duration, which may be perpetual.

19               (2) After June 30, 1999, a statement stating in years the period of existence of  
20              the limited liability company, if other than perpetual.

21       2. The following provisions govern a limited liability company unless modified in the  
22       articles of organization or a member-control agreement under section 10-32-50:

23           a. A limited liability company has general business purposes as provided in section  
24           10-32-04;

25           b. A limited liability company has certain powers as provided in section 10-32-23;

26           c. ~~The power to adopt, amend, or repeal the bylaws is vested in the board as~~  
27           ~~provided in subsection 2 of section 10-32-68~~termination of a person's  
28           membership interest has specified consequences as provided in section  
29           10-32-30;

- 1           d. ~~A limited liability company must allow cumulative voting for governors as provided~~  
2           ~~in section 10-32-76~~member may only be expelled as provided in subsection 3 of  
3           section 10-32-30;
- 4           e. ~~The affirmative vote of the greater of a majority of governors present or a majority~~  
5           ~~of the minimum number of governors constituting a quorum is required for an~~  
6           ~~action of the board as provided in section 10-32-83~~Restrictions apply to the  
7           assignment of governance rights as provided in section 10-32-32;
- 8           f. ~~A written action by the board taken without a meeting must be signed by all~~  
9           ~~governors as provided in section 10-32-84~~Unanimous consent is required for the  
10          ~~transfer of governance rights to a person not already a member as provided in~~  
11          ~~subsection 2 of section 10-32-32;~~
- 12          g. ~~The board may accept contributions, make contribution agreements, and make~~  
13          ~~contribution allowance agreements as provided in subsection 1 of section~~  
14          ~~10-32-56 and sections 10-32-58 and 10-32-59~~Members share profits and losses  
15          ~~in proportion to the value reflected in the required records of the contributions of~~  
16          ~~members as provided in section 10-32-36;~~
- 17          h. ~~All membership interests are ordinary membership interests entitled to vote and~~  
18          ~~are of one class with no series as provided in subdivisions a and b of~~  
19          ~~subsection 5 of section 10-32-56~~Unless otherwise provided, a member has  
20          ~~certain preemptive rights as provided in section 10-32-37;~~
- 21          i. ~~All membership interests have equal rights and preferences in all matters not~~  
22          ~~otherwise provided for by the board as provided in subdivision b of subsection 5~~  
23          ~~of section 10-32-56~~The voting power of each membership interest is in proportion  
24          ~~to the value reflected in the required records of the contributions of the members~~  
25          ~~as provided in section 10-32-40.1;~~
- 26          j. ~~The value of previous contributions must be restated when a new contribution is~~  
27          ~~accepted as provided in subsections 3 and 4 of section 10-32-57~~The affirmative  
28          ~~vote of the greater of the owners of a majority of the voting power of the~~  
29          ~~membership interests present and entitled to vote at a duly held meeting or a~~  
30          ~~majority of the voting power of the membership interests with voting rights~~  
31          ~~constituting the minimum voting power needed for a quorum for the transaction of~~

1 business is required for an action of the members, except when this chapter  
2 requires the affirmative vote of:

3 (1) A plurality of the votes cast as provided in subsection 1 of section 10-32-76;  
4 or

5 (2) A majority of the voting power of all membership interests entitled, to vote as  
6 provided in subsection 1 of section 10-32-42;

7 k. ~~A member has certain preemptive rights, unless otherwise provided by the board~~  
8 ~~as provided in section 10-32-37A~~ written action by the members may be taken  
9 without a meeting as provided in section 10-32-43;

10 l. ~~The affirmative vote of the greater of the owners of a majority of the voting power~~  
11 ~~of the membership interests present and entitled to vote at a duly held meeting or~~  
12 ~~a majority of the voting power of the membership interests with voting rights~~  
13 ~~constituting the minimum voting power needed for a quorum for the transaction of~~  
14 ~~business is required for an action of the members, except when this chapter~~  
15 ~~requires the affirmative vote of:~~

16 (1) ~~A plurality of the votes cast as provided in subsection 1 of section 10-32-76;~~  
17 ~~or~~

18 (2) ~~A majority of the voting power of all membership interests entitled, to vote as~~  
19 ~~provided in subsection 1 of section 10-32-42~~ The board may accept  
20 contributions, make contribution agreements, and make contribution  
21 allowance agreements as provided in subsection 1 of section 10-32-56 and  
22 sections 10-32-58 and 10-32-59;

23 m. ~~The voting power of each membership interest is in proportion to the value~~  
24 ~~reflected in the required records of the contributions of the members as provided~~  
25 ~~in section 10-32-40.1~~ All membership interests are ordinary membership interests  
26 entitled to vote and are of one class with no series as provided in subdivisions a  
27 and b of subsection 5 of section 10-32-56;

28 n. ~~Members share in distributions in proportion to the value reflected in the required~~  
29 ~~records of the contributions of members as provided in section 10-32-60~~ All  
30 membership interests have equal rights and preferences in all matters as  
31 provided in subdivision b of subsection 5 of section 10-32-56;

- 1           o. ~~Members share profits and losses in proportion to the value reflected in the~~  
2           ~~required records of the contributions of members as provided in section~~  
3           ~~10-32-36~~The value of previous contributions must be restated when a new  
4           ~~contribution is accepted as provided in subsections 3 and 4 of section 10-32-57;~~  
5           p. ~~A written action by the members taken without a meeting must be signed by all~~  
6           ~~members as provided in section 10-32-43~~Members share in distributions in  
7           ~~proportion to the value reflected in the required records of the contributions of~~  
8           ~~members as provided in section 10-32-60;~~  
9           q. ~~Members have no right to receive distributions in kind and the limited liability~~  
10          ~~company has only limited rights to make distributions in kind as provided in~~  
11          ~~section 10-32-62;~~  
12          r. ~~A member is not subject to expulsion as provided in subsection 2 of section~~  
13          ~~10-32-30~~The power to adopt, amend, or repeal the bylaws is vested in the board  
14          ~~as provided in subsection 2 of section 10-32-68;~~  
15          s. ~~Unanimous consent is required for the transfer of governance rights to a person~~  
16          ~~not already a member as provided in subsection 2 of section 10-32-32~~A limited  
17          ~~liability company must allow cumulative voting for governors as provided in~~  
18          ~~section 10-32-76;~~  
19          t. ~~For a limited liability company whose existence begins before July 1, 1999,~~  
20          ~~unanimous consent is required to avoid dissolution as provided in subdivision e~~  
21          ~~of subsection 1 of section 10-32-109~~The affirmative vote of the greater of a  
22          ~~majority of governors present or a majority of the minimum number of governors~~  
23          ~~constituting a quorum is required for an action of the board as provided in section~~  
24          ~~10-32-83;~~  
25          u. ~~The termination of a person's membership interest has specified consequences~~  
26          ~~as provided in section 10-32-30~~A written action by the board may be taken  
27          ~~without a meeting as provided in section 10-32-84; and~~  
28          v. ~~Restrictions apply to the assignment of governance rights as provided in section~~  
29          ~~10-32-32~~For a limited liability company whose existence begins before July 1,  
30          ~~1999, unanimous consent is required to avoid dissolution as provided in~~  
31          ~~subdivision e of subsection 1 of section 10-32-109.~~

- 1           3. The following provisions govern a limited liability company unless modified in the  
2           articles of organization, a member-control agreement under section 10-32-50, or in the  
3           bylaws:
- 4           a. ~~Governors serve for an indefinite term that expires at the next regular meeting of~~  
5           ~~members as provided in section 10-32-72~~Regular meetings of members need not  
6           be held, unless demanded by a member under certain conditions as provided in  
7           section 10-32-38;
- 8           b. ~~The compensation of governors is fixed by the board as provided in section-~~  
9           ~~40-32-74~~In all instances when a specific minimum notice period has not  
10           otherwise been fixed by law, not less than ten days' notice is required for a  
11           meeting of members as provided in subsection 3 of section 10-32-40;
- 12           c. ~~A certain method must be used for removal of governors as provided in section-~~  
13           ~~40-32-78~~The board may fix a date up to fifty days before the date of a members'  
14           meeting as the date for the determination of the members entitled to notice of  
15           and entitled to vote at the meeting as provided in section 10-32-40.1;
- 16           d. ~~A certain method must be used for filling board vacancies as provided in section-~~  
17           ~~40-32-79~~A quorum at a members' meeting requires a majority of the voting power  
18           of the membership interests entitled to vote at the meeting as provided in section  
19           10-32-44;
- 20           e. ~~If the board fails to select a place for a board meeting, it must be held at the~~  
21           ~~principal executive office as provided in subsection 1 of section-~~  
22           ~~40-32-80~~Members have no right to interim distributions except as provided  
23           through the bylaws or an act of the board as provided in section 10-32-61;
- 24           f. ~~The notice of a board meeting need not state the purpose of the meeting as~~  
25           ~~provided in subsection 3 of section 10-32-80~~The board may authorize, and the  
26           limited liability company may make, distributions not prohibited, limited, or  
27           restricted by an agreement as provided in subsection 1 of section 10-32-64;
- 28           g. ~~A majority of the board is a quorum for a board meeting as provided in section-~~  
29           ~~40-32-82~~Governors serve for an indefinite term that expires at the next regular  
30           meeting of members as provided in section 10-32-72;
- 31           h. ~~A committee:~~

- 1           (1) ~~Must consist of one or more individuals, who need not be governors,~~  
2           ~~appointed by affirmative vote of a majority of the governors present as~~  
3           ~~provided in subsection 2 of section 10-32-85; and~~
- 4           (2) ~~A committee may create one or more subcommittees, each consisting of~~  
5           ~~one or more members of the committees and may delegate to the~~  
6           ~~subcommittee any or all of the authority of the committee as provided in~~  
7           ~~subsection 7 of section 10-32-85~~The compensation of governors is fixed by  
8           the board as provided in section 10-32-74;
- 9           i. ~~The board may establish a special litigation committee as provided in section~~  
10           ~~10-32-85~~Certain methods must be used for removal of governors as provided in  
11           sections 10-32-78 and 10-32-78.1;
- 12           j. ~~The president and treasurer have specified duties, until the board determines~~  
13           ~~otherwise as provided in section 10-32-89~~A certain method must be used for  
14           filling board vacancies as provided in section 10-32-79;
- 15           k. ~~Managers may delegate some or all of their duties and powers, if not prohibited~~  
16           ~~by the board from doing so as provided in section 10-32-95~~If the board fails to  
17           select a place for a board meeting, it must be held at the principal executive office  
18           as provided in subsection 1 of section 10-32-80;
- 19           l. ~~Regular meetings of members need not be held, unless demanded by a member~~  
20           ~~under certain conditions as provided in section 10-32-38~~The notice of a board  
21           meeting need not state the purpose of the meeting as provided in subsection 3 of  
22           section 10-32-80;
- 23           m. ~~In all instances when a specific minimum notice period has not otherwise been~~  
24           ~~fixed by law, not less than ten days' notice is required for a meeting of members~~  
25           ~~as provided in subsection 2 of section 10-32-40~~A majority of the board is a  
26           quorum for a board meeting as provided in section 10-32-82;
- 27           n. ~~For a quorum at a members' meeting, there is required a majority of the voting~~  
28           ~~power of the membership interests entitled to vote at the meeting as provided in~~  
29           ~~section 10-32-44~~The board may establish a special litigation committee as  
30           provided in subsection 1 of section 10-32-85;

- 1           o. ~~The board may fix a date up to fifty days before the date of a members' meeting-~~  
2           ~~as the date for the determination of the members entitled to notice of and entitled-~~  
3           ~~to vote at the meeting as provided in section 10-32-40.1A committee:~~  
4           (1) Must consist of one or more individuals, who need not be governors,  
5           appointed by the board as provided in subsection 2 of section 10-32-85; and  
6           (2) May create one or more subcommittees, each consisting of one or more  
7           members of the committees and may delegate to the subcommittee any or  
8           all of the authority of the committee as provided in subsection 7 of section  
9           10-32-85;
- 10          p. ~~Indemnification of certain persons is required as provided in section 10-32-99The~~  
11          ~~president and treasurer have specified duties, until the board determines~~  
12          ~~otherwise as provided in section 10-32-89;~~
- 13          q. ~~The board may authorize, and the limited liability company may make,-~~  
14          ~~distributions not prohibited, limited, or restricted by an agreement as provided in-~~  
15          ~~subsection 1 of section 10-32-64Managers may delegate some or all of their~~  
16          ~~duties and powers, if not prohibited by the board from doing so, as provided in~~  
17          ~~section 10-32-95; and~~
- 18          r. ~~Members have no right to interim distributions except as provided through the-~~  
19          ~~bylaws or an act of the board as provided in section 10-32-61Indemnification of~~  
20          ~~certain persons is required as provided in section 10-32-99.~~
- 21          4. The provisions in subdivisions ~~ad, e, g, e, pm, and rn~~ may be included in the articles of  
22          organization or a member-control agreement under section 10-32-50. The provisions  
23          in subdivisions ~~a, b, c, f, h~~ through ~~fl, h, i, j, k, l, m, n, o, p, q, and qr~~ may be included in  
24          the articles of organization, in a member-control agreement under section 10-32-50,  
25          or, in the bylaws:
- 26          a. ~~The persons to serve as the first board may be named in the articles of~~  
27          ~~organization as provided in subsection 1 of section 10-32-69The date, time, and~~  
28          ~~place of regular member meetings may be fixed as provided in subsection 3 of~~  
29          ~~section 10-32-38;~~

- 1           b. ~~A manner for increasing or decreasing the number of governors may be provided~~  
2           ~~as provided in section 10-32-70~~Certain persons may be authorized to call special  
3           ~~meetings of members as provided in subsection 1 of section 10-32-39;~~  
4           c. ~~Additional qualifications for governors may be imposed as provided in section~~  
5           ~~10-32-71~~Notices of member meetings may be required to contain certain  
6           ~~information as provided in subsection 3 of section 10-32-40;~~  
7           d. ~~Governors may be classified as provided in section 10-32-75~~Voting rights may be  
8           ~~granted to persons who are not members as provided in subsection 6 of section~~  
9           ~~10-32-40.1;~~  
10          e. ~~The date, time, and place of board meetings may be fixed as provided in~~  
11          ~~subsection 1 of section 10-32-80~~A larger than majority vote may be required for  
12          ~~member action as provided in section 10-32-42;~~  
13          f. ~~Absent governors may be permitted to give written consent or opposition to a~~  
14          ~~proposal as provided in section 10-32-81~~Limited liability company actions giving  
15          ~~rise to dissenters' rights may be designated as provided in subdivision d of~~  
16          ~~subsection 1 of section 10-32-55;~~  
17          g. ~~A larger than majority vote may be required for board action as provided in~~  
18          ~~section 10-32-83~~The persons to serve as the first board may be named as  
19          ~~provided in subsection 1 of section 10-32-69;~~  
20          h. ~~Authority to sign and deliver certain records may be delegated to a manager or~~  
21          ~~agent of the limited liability company other than the president as provided in~~  
22          ~~section 10-32-89~~A manner for increasing or decreasing the number of governors  
23          ~~may be specified as provided in section 10-32-70;~~  
24          i. ~~Additional managers may be designated as provided in section~~  
25          ~~10-32-88~~Additional qualifications for governors may be imposed as provided in  
26          ~~section 10-32-71;~~  
27          j. ~~Additional powers, rights, duties, and responsibilities may be given to managers~~  
28          ~~as provided in section 10-32-89~~Governors may be classified as provided in  
29          ~~section 10-32-75;~~

- 1 k. ~~A method for filling vacant offices may be specified as provided in subsection 3 of~~  
2 ~~section 10-32-94~~The date, time, and place of board meetings may be fixed as  
3 provided in subsection 1 of section 10-32-80;
- 4 l. ~~The date, time, and place of regular member meetings may be fixed as provided~~  
5 ~~in subsection 3 of section 10-32-38~~Absent governors may be permitted to give  
6 written consent or opposition to a proposal as provided in section 10-32-81;
- 7 m. ~~Certain persons may be authorized to call special meetings of members as~~  
8 ~~provided in subsection 1 of section 10-32-39~~A larger than majority vote may be  
9 required for board action as provided in section 10-32-83;
- 10 n. ~~Notices of member meetings may be required to contain certain information as~~  
11 ~~provided in subsection 3 of section 10-32-40~~The personal liability of a governor to  
12 the limited liability company or to the members of the limited liability company for  
13 monetary damages for breach of fiduciary duty as a governor may be eliminated  
14 or limited in the articles as provided in subsection 5 of section 10-32-86;
- 15 o. ~~A larger than majority vote may be required for member action as provided in~~  
16 ~~section 10-32-42~~Additional managers may be designated as provided in section  
17 10-32-88;
- 18 p. ~~Voting rights may be granted in or pursuant to the articles of organization to~~  
19 ~~persons who are not members as provided in subsection 3 of section~~  
20 ~~10-32-40.1~~Authority to sign and deliver certain records may be delegated to a  
21 manager or agent of the limited liability company as provided in section 10-32-89;
- 22 q. ~~Limited liability company actions giving rise to dissenters' rights may be~~  
23 ~~designated as provided in subdivision d of subsection 1 of section~~  
24 ~~10-32-55~~Additional powers, rights, duties, and responsibilities may be given to  
25 managers as provided in section 10-32-89; and
- 26 r. ~~A governor's personal liability to the limited liability company or the limited liability~~  
27 ~~company's members for monetary damages for breach of fiduciary duty as a~~  
28 ~~governor may be eliminated or limited in the articles as provided in subsection 4~~  
29 ~~of section 10-32-86~~A method for filling vacant offices may be specified as  
30 provided in subsection 3 of section 10-32-94.

- 1           5. The articles of organization may contain other provisions not inconsistent with law  
2           relating to the management of the business or the regulation of the affairs of the  
3           limited liability company.
- 4           6. It is not necessary to set forth in the articles of organization any of the limited liability  
5           company powers granted by this chapter.
- 6           7. Subsection 4 does not limit the right of the board by resolution to take an action the  
7           bylaws may authorize under this subsection without including the authorization in the  
8           bylaws, unless the authorization is required to be included in the bylaws by another  
9           provision of this chapter.
- 10          8. Except for provisions included pursuant to subsection 1, any provision of the articles  
11          may:
- 12           a. Be made dependent upon facts ascertainable outside the articles, but only if the  
13           manner in which the facts operate upon the provision is clearly and expressly set  
14           forth in the articles; and
- 15           b. Incorporate by reference some or all of the terms of any agreements, contracts,  
16           or other arrangements entered into by the limited liability company, but only if the  
17           limited liability company retains at its principal executive office a copy of the  
18           agreements, contracts, or other arrangements or the portions incorporated by  
19           reference.

20           **SECTION 27. AMENDMENT.** Section 10-32-09 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22           **10-32-09. Effective date of organization.**

23           The limited liability company existence begins upon the issuance of the certificate of  
24 organization or at a later date as specified in the articles of organization. A certificate of  
25 organization is conclusive evidence that all conditions precedent and required to be performed  
26 by the organizers have been performed and that the limited liability company has been  
27 organized under this chapter, except as against this state in a proceeding to cancel or revoke  
28 the certificate of organization or in a judicial intervention proceeding pursuant to section  
29 10-32-119.

30           **SECTION 28. AMENDMENT.** Section 10-32-10 of the North Dakota Century Code is  
31 amended and reenacted as follows:

1       **10-32-10. Limited liability company name.**

2       1. The limited liability company name:

3           a. Must be expressed in letters or characters used in the English language ~~or in any~~  
4           ~~other language expressed in English~~ as those letters or characters appear in the  
5           American standard code for information interchange (ASCII) table;

6           b. Must contain the words "limited liability company", or must contain the  
7           abbreviation "L.L.C." or the abbreviation "LLC", either of which abbreviation may  
8           be used interchangeably for all purposes authorized by this chapter, including  
9           real estate matters, contracts, and filings with the secretary of state;

10          c. May not contain:

11           (1) The word "corporation", "incorporated", "limited partnership", "limited liability  
12           partnership", "limited liability limited partnership", or any abbreviation of  
13           these words; or

14           (2) The words "limited" or "company" without association to the words "limited  
15           liability company" or the abbreviations of these words as provided in  
16           subdivision b;

17          d. May not contain a word or phrase that indicates or implies that the limited liability  
18          company:

19           (1) Is organized for a purpose other than:

20           (a) A lawful business purpose for which a limited liability company may be  
21           organized under this chapter; or

22           (b) For a purpose stated in its articles of organization; or

23           (2) May not be organized under this chapter; and

24          e. May not be the same as, or deceptively similar to:

25           (1) The name, whether foreign and authorized to do business in this state or  
26           domestic, unless there is filed with the articles a record which complies with  
27           subsection 3, of:

28           (a) Another limited liability company;

29           (b) A corporation;

30           (c) A limited partnership;

31           (d) A limited liability partnership; or

- 1 (e) A limited liability limited partnership;
- 2 (2) A name, the right of which is, at the time of organization, reserved in the  
3 manner provided in section 10-19.1-14, 10-32-11, 10-33-11, 45-10.2-11,  
4 45-13-04.2, or 45-22-05;
- 5 (3) A fictitious name registered in the manner provided in chapter 45-11; or
- 6 (4) A trade name registered in the manner provided in chapter 47-25; or
- 7 (5) A trademark or service mark registered in the manner provided in chapter  
8 47-22.
- 9 2. The secretary of state shall determine whether a limited liability company name is  
10 deceptively similar to another name for purposes of this chapter.
- 11 3. If the secretary of state determines that a limited liability company name is deceptively  
12 similar to another name for purposes of this chapter, then the limited liability company  
13 name may not be used unless there is filed with the articles:
- 14 a. The written consent of the holder of the rights to the name to which the proposed  
15 name has been determined to be deceptively similar; or
- 16 b. A certified copy of a judgment of a court in this state establishing the prior right of  
17 the applicant to the use of the name in this state.
- 18 4. This section and section 10-32-11 do not:
- 19 a. Abrogate or limit:
- 20 (1) The law of unfair competition or unfair practices;
- 21 (2) Chapter 47-25;
- 22 (3) The laws of the United States with respect to the right to acquire and protect  
23 copyrights, trade names, trademarks, service names, and service marks; or
- 24 (4) Any other rights to the exclusive use of names or symbols.
- 25 b. Derogate the common law or the principles of equity.
- 26 5. A domestic or foreign limited liability company that is the surviving organization in a  
27 merger with one or more other organizations, or that acquires by sale, lease, or other  
28 disposition to or exchange with an organization all or substantially all of the assets of  
29 another organization including its name, may have the same name, subject to the  
30 requirements of subsection 1, as that used in this state by any of the other  
31 organizations, if the organization whose name is sought to be used:

- 1           a. Was organized, incorporated, formed, or registered under the laws of this state;
- 2           b. Is authorized to transact business or conduct activities in this state;
- 3           c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,
- 4                 10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;
- 5           d. Holds a fictitious name registered in the manner provided in chapter 45-11; or
- 6           e. Holds a trade name registered in the manner provided in chapter 47-25; or
- 7           f. Holds a trademark or service mark registered in the manner provided in chapter
- 8                 47-22.
- 9         6. The use of a name by a limited liability company in violation of this section does not
- 10           affect or vitiate its limited liability company existence. However, a court in this state
- 11           may, upon application of the state or of an interested or affected person, enjoin the
- 12           limited liability company from doing business under a name assumed in violation of
- 13           this section, although its articles of organization may have been filed with the secretary
- 14           of state and a certificate of organization issued.
- 15         7. A limited liability company whose period of existence has expired or that is
- 16           involuntarily dissolved by the secretary of state pursuant to section 10-32-149 may
- 17           reacquire the right to use that name by refiling articles of organization pursuant to
- 18           section 10-32-20, unless the name has been adopted for use or reserved by another
- 19           person, in which case the filing will be rejected unless the filing is accompanied by a
- 20           written consent or judgment pursuant to subsection 2. A limited liability company that
- 21           cannot reacquire the use of its limited liability company name shall adopt a new limited
- 22           liability company name which complies with the provisions of this section:
- 23           a. By refiling the articles of organization pursuant to section 10-32-07;
- 24           b. By amending pursuant to section 10-32-18; or
- 25           c. By reinstating pursuant to section 10-32-149.
- 26         8. Subject to section 10-32-136, this section applies to any foreign limited liability
- 27           company transacting business in this state, having a certificate of authority to transact
- 28           business in this state, or applying for a certificate of authority.
- 29         9. An amendment that only changes the name of the limited liability company may be
- 30           authorized by a resolution approved by the board and may, but need not, be submitted
- 31           to and approved by the members as provided in section 10-32-15.

1        10. A limited liability company that files its articles of organization with an effective date  
2                    later than the date of filing as provided in subsection 1 of section 10-32-09 shall  
3                    maintain the right to the name until the effective date.

4            **SECTION 29. AMENDMENT.** Subsection 1 of section 10-32-40 of the North Dakota  
5 Century Code is amended and reenacted as follows:

6            1. Except as otherwise provided in this chapter, notice of all meetings of members must  
7                    be given to every owner of membership interests entitled to vote, unless:

8            a. The meeting is an adjourned meeting to be held not more than one hundred  
9                    twenty days after the date fixed for the original meeting and the date, time, and  
10                    place of the meeting were announced at the time of the original meeting or any  
11                    adjournment of the original meeting; or

12           b. The following have been mailed by first-class mail to a member at the address in  
13                    the limited liability company records and returned nondeliverable:

14                    (1) Two consecutive ~~annual~~regular meeting notices and notices of any special  
15                    meetings held during the period between the two ~~annual~~regular meetings;  
16                    or

17                    (2) All payments of distribution sent during a twelve-month period, provided  
18                    there were at least two sent during the twelve-month period.

19           c. An action or meeting that is taken or held without notice under subdivision b has  
20                    the same force and effect as if notice was given. If the member delivers a written  
21                    notice of the member's current address to the limited liability company, the notice  
22                    requirement is reinstated.

23           **SECTION 30. AMENDMENT.** Subsection 2 of section 10-32-51 of the North Dakota  
24 Century Code is amended and reenacted as follows:

25           2. A member of a limited liability company has an absolute right, upon written demand, to  
26                    examine and copy, in person or by a legal representative, at any reasonable time, and  
27                    the limited liability company shall make available within ten days after receipt by a  
28                    manager of the limited liability company of the written demand, all records referred to  
29                    in subsection 1. If such documents are maintained at a place outside of this state, then  
30                    the limited liability company shall make such documents available at its registered

1           office, at its principal executive office within this state, or at such other place as the  
2           limited liability company and the member may agree.

3           **SECTION 31. AMENDMENT.** Section 10-32-68 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5           **10-32-68. Bylaws.**

6           1. A limited liability company may have bylaws, which may be known as an operating  
7 agreement. The bylaws may contain any provision relating to the management of the  
8 business or the regulation of the affairs of the limited liability company not inconsistent  
9 with section 10-32-69 or any other provision of law or the articles of organization. ~~An~~  
10 ~~act of the board under subsection 2 and of the members under subsection 3 will be~~  
11 ~~considered part of the bylaws only if the act expressly states that it is intended to~~  
12 ~~constitute or revise the bylaws, including:~~

- 13           a. The number of governors and the qualifications, manner of election, powers,  
14           duties, and compensation, if any, of governors;  
15           b. The qualifications of members;  
16           c. Different classes of membership;  
17           d. The manner of admission, withdrawal, suspension, and expulsion of members;  
18           e. Property, voting, and other rights and privileges of members;  
19           f. The appointment and authority of committees;  
20           g. The appointment or election, duties, compensation, and tenure of offices;  
21           h. The time, place, and manner of calling, conducting, and giving notice of member,  
22           board, and committee meetings, or of conducting mail ballots;  
23           i. The making of reports and financial statements to members; or  
24           j. The number establishing a quorum for meetings of members and the board.

25           2. ~~Initial~~Unless reserved by the articles to members with voting rights, initial bylaws may  
26 be adopted pursuant to section 10-32-67 by a majority of the organizers or by the first  
27 board pursuant to section 10-32-67. Unless reserved by the articles of organization or  
28 a member-control agreement to the members with voting rights, the power to adopt,  
29 amend, or repeal the bylaws is vested in the board. The power of the board is subject  
30 to the power of the members, exercisable in the manner provided in subsection 34, to  
31 adopt, amend, or repeal the bylaws adopted, amended, or repealed by the board.

- 1       3. The bylaws may be amended in the manner provided in the articles or bylaws.  
2           a. In the absence of such a provision, the following bylaw amendments are subject  
3           to approval by the members with voting rights:  
4           (1) Fixing a quorum for meetings of members;  
5           (2) Prescribing procedures for:  
6               (a) Removing governors;  
7               (b) Filling vacancies in the board;  
8               (c) Fixing the number of governors or their classifications, qualifications,  
9               or terms of office;  
10          (3) Removing or adding members; or  
11          (4) Increasing or decreasing the vote required for member actions.  
12       4. Unless the articles or bylaws provide otherwise, members owning five percent or more  
13       of the voting power of the members entitled to vote may propose a resolution for  
14       action by the members to adopt, amend, or repeal the bylaws adopted, amended, or  
15       repealed by the board and the  
16       a. The resolution must set forth the provision or provisions proposed for adoption,  
17       amendment, or repeal.  
18       b. The limitations and procedures for submitting, considering, and adopting the  
19       resolution are the same as provided in subsections 2 through 4 of section  
20       10-32-16 for amendment of the articles of organization. ~~The articles or bylaws~~  
21       ~~may impose different or additional requirements for the members to adopt,~~  
22       ~~amend, or repeal the bylaws.~~

23       **SECTION 32. AMENDMENT.** Subsection 2 of section 10-32-87 of the North Dakota  
24       Century Code is amended and reenacted as follows:

- 25       2. The contract or transaction described in subsection 1 is not void or voidable if:  
26       a. The contract or transaction was, and the person asserting the validity of the  
27       contract or transaction sustains the burden of establishing that the contract or  
28       transaction was, fair and reasonable as to the limited liability company at the time  
29       it was authorized, approved, or ratified;

- 1           b. The material facts as to the contract or transaction and as to the governor's  
2           interest are fully disclosed or known to the members, whether entitled to vote,  
3           and the contract or transaction is approved in good faith by:
- 4           (1) The owners of two-thirds of the voting power of membership interests  
5           entitled to vote which are owned by persons other than the interested  
6           governor; or
- 7           (2) The unanimous affirmative vote of all members, whether entitled to vote;
- 8           c. The material facts as to the contract or transaction and as to the governor's  
9           interest are fully disclosed or known to the board or a committee, and the board  
10          or committee authorizes, approves, or ratifies the contract or transaction in good  
11          faith by a majority of the governors or committee members currently holding  
12          office, ~~but:~~
- 13          (1) ~~However, the interested governor is or governors may not vote and are not~~  
14          ~~considered for purposes of a quorum.~~
- 15          (2) ~~If as a result, the number of remaining governors is not sufficient to reach a~~  
16          ~~quorum, then a quorum for the purpose of considering the contract or~~  
17          ~~transaction is the number of remaining governors or committee members,~~  
18          ~~not counting any vote that the interested governor might otherwise have,~~  
19          ~~and not counted counting the governor in determining the presence of a~~  
20          quorum ~~and shall not vote;~~ or
- 21          d. The contract or transaction is a distribution described in subsection 1 of section  
22          10-32-64 or a merger or exchange described in subsection 1 or 2 of section  
23          10-32-100.

24          **SECTION 33. AMENDMENT.** Section 10-32-88 of the North Dakota Century Code is  
25          amended and reenacted as follows:

26          **10-32-88. Managers.**

27          A

- 28          1. ~~The managers of a~~ limited liability company must ~~consist of one or more~~ be individuals  
29          eighteen years of age or more, exercising the functions of the offices, ~~however~~  
30          ~~designated, of and;~~

- 1           a. Must include a president, a secretary, and a treasurer, however designated; and  
2           may have
- 3           b. May include one or more vice presidents and a secretary, however designated,  
4           as may be provided in the bylaws. ~~Any other managers, assistant managers, and~~  
5           ~~agents, as necessary, may~~
- 6           2. Unless the articles or the bylaws provide that the members with voting rights may elect  
7           the officers:
- 8           a. Each officer must be elected or appointed by the board or chosen at the time and  
9           in ~~such other~~the manner as may be provided in the bylaws.
- 10          b. To the extent authorized in the articles, the bylaws, or a resolution approved by  
11          the affirmative vote of a majority of the governors present, and subject to any  
12          member-control agreement, the president may appoint one or more managers,  
13          other than the treasurer.
- 14          3. Unless otherwise provided, president shall mean chief executive officer or chief  
15          manager and treasurer shall mean chief financial manager.

16           **SECTION 34. AMENDMENT.** Subsection 2 of section 10-32-94 of the North Dakota  
17 Century Code is amended and reenacted as follows:

- 18          2. With respect to removal:
- 19          a. Except as otherwise provided in the articles, the bylaws, or a member-control  
20          agreement, a manager may be removed at any time, with or without cause, by a  
21          resolution approved by the affirmative vote of a majority of the governors present.  
22          The
- 23          b. A manager appointed by the president also may be removed at any time, with or  
24          without cause, by the president.
- 25          c. To the extent authorized in the articles of organization, the bylaws, or a  
26          member-control agreement ~~may provide other manners of removing a manager.~~  
27          Removal, or a resolution approved by the affirmative vote of a majority of the  
28          governors present, the president may remove a manager elected or appointed by  
29          the board, other than the treasurer.
- 30          d. The articles of organization, the bylaws, or a member-control agreement may  
31          provide other manners of removing a manager.

- 1           e. A removal as described in this subsection is without prejudice to any contractual  
2           rights of the manager.

3           **SECTION 35. AMENDMENT.** Subsection 1 of section 10-32-108 of the North Dakota  
4 Century Code is amended and reenacted as follows:

- 5           1. A limited liability company may, by affirmative vote of a majority of the governors  
6           present, upon those terms and conditions and for those considerations, which may be  
7           money, securities, or other instruments for the payment of money or other property, as  
8           the board considers expedient, and without member approval:
- 9           a. Sell, lease, transfer, or otherwise dispose of all or substantially all of its property  
10           and assets in the usual and regular course of its business;
- 11           b. Grant a security interest in all or substantially all of its property and assets  
12           whether or not in the usual and regular course of its business; or
- 13           c. Transfer any or all of its property to a corporation all of the shares of which are  
14           owned, directly or indirectly through wholly owned organizations, by a limited  
15           liability company.

16           **SECTION 36. AMENDMENT.** Section 10-32-144 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18           **10-32-144. Foreign limited liability company - Revocation of certificate of authority.**

- 19           1. The certificate of authority of a foreign limited liability company to transact business in  
20           this state may be revoked by the secretary of state if:
- 21           a. The foreign limited liability company has failed to:
- 22               (1) Appoint and maintain a registered agent and registered office as provided in  
23               chapter 10-01.1; or
- 24               (2) File in the office of the secretary of state any amendment to its application  
25               for a certificate of authority as ~~specified~~provided in section 10-32-140;
- 26               (3) File in the office of the secretary of state any merger as provided in section  
27               10-32-142; or
- 28               (4) File in the office of the secretary of state an application for certificate of  
29               withdrawal of its authority as provided in section 10-32-143 when the limited  
30               liability company's existence has expired or the limited liability company has  
31               been dissolved or terminated in the jurisdiction of organization; or

- 1           b. A misrepresentation has been made of any material matter in any application,  
2           report, affidavit, or other record submitted by the foreign limited liability company  
3           pursuant to this chapter.
- 4           2. Except for revocation of the certificate of authority for failure to file the annual report as  
5           provided in section 10-32-149, no certificate of authority of a foreign limited liability  
6           company may be revoked by the secretary of state unless:
- 7           a. The secretary has given the foreign limited liability company not less than sixty  
8           days' notice by mail addressed to its registered agent at the registered office in  
9           this state or, if the foreign limited liability company fails to appoint and maintain a  
10          registered agent in this state, addressed to its principal executive office; and
- 11          b. During the sixty-day period, the foreign limited liability company has failed to:
- 12           (1) File the report of change as provided in chapter 10-01.1 regarding the  
13           registered office or the registered agent;
- 14           (2) File any amendment; ~~or~~
- 15           (3) File any merger;
- 16           (4) File an application for withdrawal; or
- 17           (5) Correct the misrepresentation.
- 18          3. Upon the expiration of sixty days after the mailing of the notice, the authority of the  
19          foreign limited liability company to transact business in this state ceases. The  
20          secretary of state shall issue a notice of revocation and shall mail the notice to the  
21          registered agent at the registered office in this state or, if the foreign limited liability  
22          company failed to appoint and maintain a registered agent or a registered office in this  
23          state, then addressed to the principal executive office of the foreign limited liability  
24          company.

25          **SECTION 37. AMENDMENT.** Section 10-32-150 of the North Dakota Century Code is  
26          amended and reenacted as follows:

27          **10-32-150. Secretary of state - Fees and charges.**

28          The secretary of state shall charge and collect for:

- 29          1. Filing articles of organization and issuing a certificate of organization, one hundred  
30          thirty-five dollars.
- 31          2. Filing articles of amendment, fifty dollars.

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- 1        3.    Filing ~~articles~~statement of correction, fifty dollars.
- 2        4.    Filing restated articles of organization, one hundred twenty-five dollars.
- 3        5.    Filing articles of conversion of a limited liability company, fifty dollars and:
  - 4            a.    If the organization resulting from the conversion will be a domestic organization
  - 5                    governed by the laws of this state, then the fees provided by the governing laws
  - 6                    to establish or register a new organization like the organization resulting from the
  - 7                    conversion; or
  - 8            b.    If the organization resulting from the conversion will be a foreign organization that
  - 9                    will transact business in this state, then the fees provided by the governing laws
  - 10                   to obtain a certificate of authority or register an organization like the organization
  - 11                   resulting from the conversion.
- 12       6.    Filing abandonment of conversion, fifty dollars.
- 13       7.    Filing articles of merger and issuing a certificate of merger, fifty dollars.
- 14       8.    Filing abandonment of merger or exchange, fifty dollars.
- 15       9.    Filing an application to reserve a name, ten dollars.
- 16       10.   Filing a notice of transfer of a reserved name, ten dollars.
- 17       11.   Filing a cancellation of reserved name, ten dollars.
- 18       12.   Filing a consent to use of name, ten dollars.
- 19       13.   Filing a statement of change of address of registered office or change of registered
- 20                    agent or both, or a statement of change of address of registered office by registered
- 21                    agent, the fee provided in section 10-01.1-03.
- 22       14.   Filing a resolution for the establishment of a class or series of membership interests,
- 23                    fifty dollars.
- 24       15.   Filing a notice of dissolution, ten dollars.
- 25       16.   Filing a statement of revocation of voluntary dissolution proceedings, ten dollars.
- 26       17.   Filing articles of dissolution and termination, twenty dollars.
- 27       18.   Filing an application of a foreign limited liability company for a certificate of authority to
- 28                    transact business in this state and issuing a certificate of authority, one hundred
- 29                    thirty-five dollars.
- 30       19.   Filing an amendment to the certificate of authority by a foreign limited liability
- 31                    company, fifty dollars.

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- 1       20.   Filing a certificate of fact stating a merger of a foreign limited liability company holding  
2           a certificate of authority to transact business in this state, fifty dollars.
- 3       21.   Filing a certified statement of conversion of a foreign limited liability company, fifty  
4           dollars.
- 5       22.   Filing an application for withdrawal of a foreign limited liability company and issuing a  
6           certificate of withdrawal, twenty dollars.
- 7       23.   Filing an annual report of a limited liability company or foreign limited liability company,  
8           fifty dollars.
- 9           a.    The secretary of state shall charge and collect additional fees for late filing of the  
10           annual report as follows:
- 11               (1)   After the date provided in subsection 3 of section 10-32-149, fifty dollars;  
12               and
- 13               (2)   After the termination of the limited liability company, or the revocation of the  
14               certificate of authority of a foreign limited liability company, the  
15               reinstatement fee of one hundred ~~twenty-five~~thirty-five dollars.
- 16           b.    Fees paid to the secretary of state according to this subsection are not  
17           refundable if an annual report submitted to the secretary of state cannot be filed  
18           because it lacks information required by section 10-32-149, or the annual report  
19           lacks sufficient payment as required by this subsection.
- 20       24.   Filing any process, notice, or demand for service, the fee provided in section  
21           10-01.1-03.
- 22       25.   Submitting any record for approval before the actual time of submission for filing,  
23           one-half of the fee provided in this section for filing the record.
- 24       26.   Filing any other statement or report of a limited liability company or foreign limited  
25           liability company, ten dollars.
- 26       27.   Furnishing a copy of any record, or paper relating to a limited liability company or a  
27           foreign limited liability company:
- 28           a.    The fee provided in section 54-09-04 for copying a record; and
- 29           b.    Five dollars for a search of records.
- 30       28.   Furnishing a certificate of good standing, existence, or authorization:
- 31           a.    Fifteen dollars; and

1           b. Five dollars for a search of records.

2           **SECTION 38. AMENDMENT.** Subsection 5 of section 10-32-152 of the North Dakota  
3 Century Code is amended and reenacted as follows:

4           5. If the court order sought is one for reinstatement of a limited liability company that has  
5 been dissolved as provided in subsection 5 of section 10-32-149, or for reinstatement  
6 of the certificate of authority of a foreign limited liability company that has been  
7 revoked as provided in subsection 6 of section 10-32-149, then together with any other  
8 actions the court deems proper, any such order which reverses the decision of the  
9 secretary of state shall require the limited liability company or foreign limited liability  
10 company to:

11           a. File the most recent past-due annual report;

12           b. Pay the fees to the secretary of state for all past-due annual reports as provided  
13 in subsection ~~26~~23 of section 10-32-150; and

14           c. Pay the reinstatement fee to the secretary of state as provided in  
15 subsection ~~26~~23 of section 10-32-150.

16           **SECTION 39.** Subsection 3 to section 10-32-153 of the North Dakota Century Code is  
17 created and enacted as follows:

18           3. Any certificate or certified copy issued by the secretary of state under this section may  
19 be created and disseminated as an electronic record with the same force and effect as  
20 if produced in a paper form.

21           **SECTION 40. AMENDMENT.** Subsection 27 of section 10-33-01 of the North Dakota  
22 Century Code is amended and reenacted as follows:

23           27. "Officer" means an individual who is ~~more than~~ eighteen years of age or more and  
24 who is:

25           a. Elected, appointed, or otherwise designated as ~~an~~the president, the treasurer  
26 and the secretary, however designated, or any other officer by the board or the  
27 members pursuant to section 10-33-49; or

28           b. ~~Considered~~Deemed elected as an officer pursuant to section 10-33-52.

29           **SECTION 41. AMENDMENT.** Subsections 3 and 4 of section 10-33-06 of the North Dakota  
30 Century Code are amended and reenacted as follows:

- 1           3. The following provisions govern a corporation unless modified either in the articles or  
2           bylaws:
- 3           a. A certain method must be used for amending the articles as provided in section  
4           10-33-15;
- 5           b. Certain procedures apply to the adoption, amendment, or repeal of bylaws by the  
6           members as provided in section 10-33-26;
- 7           c. A director holds office for an indefinite term that expires upon the election of a  
8           successor as provided in section 10-33-30;
- 9           d. The term of a director filling a vacancy expires at the end of the term the director  
10          is filling as provided in section 10-33-30;
- 11          e. The compensation of directors is fixed by the board as provided in section  
12          10-33-32;
- 13          f. The method provided in section 10-33-36 or 10-33-37 must be used for removal  
14          of directors;
- 15          g. The method provided in section 10-33-38 must be used for filling board  
16          vacancies;
- 17          h. Board meetings must be held at least once per year and if the board fails to  
18          select a place for a board meeting, it must be held at the principal executive office  
19          as provided in subsection 1 of section 10-33-39;
- 20          i. A director may call a board meeting, and the notice of the meeting need not state  
21          the purpose of the meeting as provided in subsection 3 of section 10-33-39;
- 22          j. A majority of the board is a quorum as provided in section 10-33-41;
- 23          k. The affirmative vote of the majority of directors present is required for board  
24          action as provided in section 10-33-42;
- 25          l. A committee:
- 26             (1) Must consist of one or more persons, who need not be directors, appointed  
27             by the board as provided in section 10-33-44; and
- 28             (2) May create one or more subcommittees, each consisting of one or more  
29             members of the committee and may delegate to the subcommittee any or all  
30             of the authority of the committee as provided in subsection 7 of section  
31             10-33-44;

- 1 m. Unless the articles or bylaws or a resolution adopted by the board, and not  
2 inconsistent with the articles or bylaws, provides otherwise, the officers shall have  
3 the duties provided in section 10-33-50;
- 4 n. The method provided in section 10-33-54 must be used for removal of officers;
- 5 o. If not prohibited by the board from doing so, officers may delegate some or all of  
6 their duties and powers as provided in section 10-33-55;
- 7 p. A corporation does not have members as provided in section 10-33-57;
- 8 q. The board may determine the consideration required to admit members as  
9 provided in section 10-33-57;
- 10 r. All members are entitled to vote and have equal rights and preferences in  
11 matters as provided in section 10-33-57;
- 12 s. Memberships are nontransferable except as provided in section 10-33-59;
- 13 t. A corporation with voting members must hold a regular meeting of voting  
14 members annually as provided in section 10-33-65;
- 15 u. If a specific minimum notice period has not been fixed by law, then at least five  
16 days' notice is required for a meeting of members as provided in section  
17 10-33-68;
- 18 v. The board may fix a date up to fifty days before the date of a members' meeting  
19 as the date for determination of the members entitled to notice of and entitled to  
20 vote at the meeting as provided in section 10-33-68;
- 21 w. Each member with voting rights has one vote as provided in section 10-33-71;
- 22 x. The affirmative vote of the majority of members with voting rights present and  
23 entitled to vote is required for action of the members, unless this chapter or the  
24 articles or bylaws require a greater vote or voting by class as provided in section  
25 10-33-72;
- 26 y. Members with voting rights may take action at a meeting by voice or ballot, by  
27 unanimous action without a meeting, by mailed ballot, or by electronic  
28 communication as provided in section 10-33-72;
- 29 z. The number of members required for a quorum is ten percent of the members  
30 entitled to vote as provided in section 10-33-76;

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- 1           aa. The procedures provided in section 10-33-78 govern acceptance of member  
2           acts; and
- 3           bb. Indemnification of certain persons is required as provided in section 10-33-84.
- 4           4. The following provisions relating to the management or regulation of the affairs of a  
5           corporation may be included in the articles or, except for naming members of the first  
6           board, in the bylaws:
- 7           a. The first board of directors may be named in the articles as provided in section  
8           10-33-25;
- 9           b. Additional qualifications for directors may be imposed as provided in section  
10           10-33-29;
- 11           c. Terms of directors may be staggered as provided in section 10-33-30;
- 12           d. The date, time, and place of board meetings may be fixed as provided in section  
13           10-33-39;
- 14           e. Additional officers may be designated as provided in section 10-33-49;
- 15           f. Additional powers, rights, duties, and responsibilities may be given to officers as  
16           provided in section 10-33-50;
- 17           g. A method for filling vacant offices may be specified as provided in section  
18           10-33-54;
- 19           h. Membership criteria and procedures for admission may be established as  
20           provided in section 10-33-57;
- 21           i. Membership terms may be fixed as provided in section 10-33-57;
- 22           j. A corporation may issue membership certificates or preferred or common shares  
23           as the board deems appropriate as provided in section 10-33-58;
- 24           k. A corporation may levy dues, assessments, or fees on members as provided in  
25           section 10-33-60;
- 26           l. A corporation may buy memberships as provided in section 10-33-63;
- 27           m. A corporation may have delegates with some or all the authority of members as  
28           provided in section 10-33-64;
- 29           n. The date, time, and place of regular member meetings or the place of special  
30           meetings may be fixed as provided in section 10-33-65;

- 1           o. Certain persons may be authorized to call special meetings of members as  
2           provided in section 10-33-66;
- 3           p. Notices of special member meetings may be required to contain certain  
4           information as provided in section 10-33-68;
- 5           q. A larger than majority vote may be required for member action as provided in  
6           section 10-33-72;
- 7           r. Members with voting rights may vote by proxy as provided in section 10-33-77;  
8           and
- 9           s. Members with voting rights may enter into voting agreements as provided in  
10          section 10-33-79.

11           **SECTION 42. AMENDMENT.** Section 10-33-10 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13           **10-33-10. Corporate name.**

- 14          1. The corporate name:
- 15           a. Must be in letters or characters used in the English language ~~or in any other~~  
16           ~~language expressed in English~~ as those letters or characters appear in the  
17           American standard code for information interchange (ASCII) table.
- 18           b. Need not contain the word "company", "corporation", "incorporated", "limited", or  
19           an abbreviation of one or more of these words.
- 20           c. May not contain the words "limited liability company", "limited partnership",  
21           "limited liability partnership", "limited liability limited partnership", or any  
22           abbreviation of these words.
- 23           d. May not contain a word or phrase that indicates or implies that the corporation:  
24           (1) Is incorporated for a purpose other than:  
25                 (a) A lawful nonprofit purpose for which a corporation may be  
26                 incorporated under this chapter; or  
27                 (b) For a purpose stated in its articles; or  
28           (2) May not be incorporated under this chapter.
- 29           e. May not be the same as or deceptively similar to:

- 1                   (1) The name, whether foreign and authorized to conduct activities in this state  
2                   or domestic unless there is filed with the articles a record that complies with  
3                   subsection 2, of:
- 4                   (a) Another corporation;
- 5                   (b) A corporation incorporated or authorized to do business in this state  
6                   under another provision of this code;
- 7                   (c) A limited liability company;
- 8                   (d) A limited partnership;
- 9                   (e) A limited liability partnership; or
- 10                  (f) A limited liability limited partnership;
- 11                  (2) A name the right to which is, at the time of incorporation, reserved in the  
12                  manner provided in section 10-19.1-14, 10-32-11, 10-33-11, 45-10.2-11,  
13                  45-13-04.2, or 45-22-05;
- 14                  (3) A fictitious name registered in the manner provided in chapter 45-11; ~~or~~
- 15                  (4) A trade name registered in the manner provided in chapter 47-25; or
- 16                  (5) A trademark or service mark registered in the manner provided in chapter  
17                  47-22.
- 18                  2. The secretary of state shall determine whether a corporate name is "deceptively  
19                  similar" to another name for purposes of this chapter.
- 20                  3. If the secretary of state determines that a corporate name is "deceptively similar" to  
21                  another name for purposes of this chapter, then the corporate name may not be used  
22                  unless there is filed with the articles:
- 23                  a. The written consent of the holder of the rights to the name the proposed name is  
24                  determined to be deceptively similar to; or
- 25                  b. A certified copy of a judgment of a court in this state establishing the prior right of  
26                  the applicant to the use of the name in this state.
- 27                  4. Subsection 3 does not affect the right of a corporation existing on August 1, 1997, or a  
28                  foreign corporation authorized to do business in this state on that date to continue the  
29                  use of its name.
- 30                  5. This section and section 10-33-11 do not:
- 31                  a. Abrogate or limit:

- 1                   (1) The law of unfair competition or unfair practices;
- 2                   (2) Chapter 47-25;
- 3                   (3) The laws of the United States with respect to the right to acquire and protect
- 4                                 copyrights, trade names, trademarks, service names, or service marks; or
- 5                   (4) Any other rights to the exclusive use of names or symbols; or
- 6                   b. Derogate the common law or the principles of equity.
- 7                   6. A domestic or foreign corporation that is the surviving organization in a merger with
- 8                                 one or more other organizations, or that acquires by sale, lease, or other disposition to
- 9                                 or exchange with an organization all or substantially all of the assets of another
- 10                                organization including its name, may have the same name, subject to the
- 11                                requirements of subsection 1, as that used in this state by any of the other
- 12                                organizations, if the other organization whose name is sought to be used:
- 13                   a. Was incorporated, organized, formed, or registered under the laws of this state;
- 14                   b. Is authorized to conduct activities or transact business in this state;
- 15                   c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,
- 16                                 10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;
- 17                   d. Holds a fictitious name registered in the manner provided in chapter 45-11; or
- 18                   e. Holds a trade name registered in the manner provided in chapter 47-25; or
- 19                   f. Holds a trademark or service mark registered in the manner provided in chapter
- 20                                 47-22.
- 21                   7. The use of a name by a corporation in violation of this section does not affect or vitiate
- 22                                 its corporate existence, but a court in this state may, upon application of the state or of
- 23                                 an interested or affected person, enjoin the corporation from conducting activities
- 24                                 under a name assumed in violation of this section, although its articles may have been
- 25                                 filed with the secretary of state and a certificate of incorporation issued.
- 26                   8. A corporation whose period of existence has expired or that is involuntarily dissolved
- 27                                 by the secretary of state pursuant to section 10-33-139 may reacquire the right to use
- 28                                 that name by refiling articles of incorporation pursuant to section 10-33-08 unless the
- 29                                 name has been adopted for use or reserved by another person, in which case the
- 30                                 filing will be rejected unless the filing is accompanied by a written consent or judgment
- 31                                 pursuant to subsection 2. A corporation that cannot reacquire the use of its corporate

1 name must adopt a new corporate name that complies with the provisions of this  
2 section:

3 a. By refiling articles of incorporation pursuant to section 10-33-08;

4 b. By amending pursuant to section 10-33-14; or

5 c. By reinstating pursuant to section 10-33-139.

6 9. Subject to section 10-33-126, this section applies to any foreign corporation  
7 transacting business in this state, having a certificate of authority to transact business  
8 in this state, or applying for a certificate of authority.

9 10. An amendment that only changes the name of the corporation may be authorized by a  
10 resolution approved by the board and may, but need not, be submitted to and  
11 approved by the members as provided in section 10-33-15.

12 11. A corporation that files its articles of incorporation with an effective date later than the  
13 date of filing as provided in subsection 1 of section 10-33-09 shall maintain the right to  
14 the name until the effective date.

15 **SECTION 43. AMENDMENT.** Subsections 1, 2, and 3 of section 10-33-15 of the North  
16 Dakota Century Code are amended and reenacted as follows:

17 1. A majority of incorporators may amend the articles by written action if no directors are  
18 named in the original articles, if no directors have been elected, and if there are no  
19 members with voting rights. A majority of directors may amend the articles if there are  
20 no members with voting rights, if members with voting rights have authorized the  
21 board to amend the articles under subsection 3, or if the amendment merely restates  
22 the existing articles, as amended. Notice of the meeting and of the proposed  
23 amendment must be given to the board. An amendment restating the existing articles  
24 may, but need not, be submitted to and approved by the members with voting rights as  
25 provided in subsection 2.

26 2. Amendments to the articles must be approved by the affirmative vote of a majority of  
27 ~~the~~all directors and by the members with voting rights. If an amendment is initiated by  
28 the directors, proper notice of the proposed amendment must precede a ~~member-~~  
29 meeting of the members with voting rights at which the amendment will be considered  
30 and must include the substance of the proposed amendment. If an amendment is  
31 proposed and approved by the members with voting rights, ~~thethose~~ members may

1 demand a special board meeting within fifty days for consideration of the proposed  
2 amendment if a regular board meeting would not occur within fifty days.

3 3. a. The members with voting rights may authorize the board of directors, subject to  
4 subdivision c, to exercise from time to time the power of amendment of the  
5 articles without member approval of the members with voting rights.

6 b. When the members with voting rights have authorized the board of directors to  
7 amend the articles, the board of directors, by the affirmative vote of a majority  
8 ~~vote of~~ all directors, unless the articles, bylaws, or the members' resolution  
9 authorizing the board action requires a greater vote, may amend the articles at a  
10 meeting of the board. Notice of the meeting and of the proposed amendment  
11 must be given to the board.

12 c. The members with voting rights ~~voting at a meeting duly called for the purpose~~  
13 may prospectively revoke the authority of the board to exercise the power of the  
14 members to amend the articles at a meeting called for that purpose.

15 **SECTION 44. AMENDMENT.** Section 10-33-26 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **10-33-26. Bylaws.**

18 1. A corporation may, but need not, have bylaws. Bylaws may contain any provision  
19 relating to the management or regulation of the affairs of the corporation consistent  
20 with law or the articles, including:

21 a. The number of directors, and the qualifications, manner of election, powers,  
22 duties, and compensation, if any, of directors;

23 b. The qualifications of members;

24 c. Different classes of membership;

25 d. The manner of admission, withdrawal, suspension, and expulsion of members;

26 e. Property, voting, and other rights and privileges of members;

27 f. The appointment and authority of committees;

28 g. The appointment or election, duties, compensation, and tenure of officers;

29 h. The time, place, and manner of calling, conducting, and giving notice of member,  
30 board, and committee meetings, or of conducting mail ballots;

31 i. The making of reports and financial statements to members; or

1           j. The number establishing a quorum for meetings of members and the board.

2           2. ~~Initial~~Unless reserved by the articles to members with voting rights, initial bylaws may  
3           be adopted by a majority of the incorporators or by the first board pursuant to section  
4           10-33-25. Unless reserved by the articles to the members with voting rights, the power  
5           to adopt, amend, or repeal the bylaws is vested in the board. The power of the board  
6           is subject to the power of the members with voting rights exercisable in the manner  
7           provided in subsection 3 to adopt, amend, or repeal bylaws adopted, amended, or  
8           repealed by the board. ~~After the adoption of the initial bylaws and if there are members~~  
9           ~~with voting rights, the board may not adopt, amend, or repeal a bylaw fixing~~

10          3. The bylaws may be amended in the manner provided in the articles or bylaws.

11          a. In the absence of such a provision, the following bylaws amendments are subject  
12          to approval by the members with voting rights:

13               (1) Fixing a quorum for meetings of members, ~~prescribing~~;

14               (2) Prescribing procedures for ~~removing~~;

15                     (a) Removing directors ~~or filling~~;

16                     (b) Filling vacancies in the board, ~~or fixing~~; and

17                     (c) Fixing the number of directors or their classifications, qualifications, or  
18                       terms of office, ~~but may adopt or amend a bylaw to increase the~~  
19                       number of directors. ~~A bylaw amendment to increase or decrease the~~  
20                       vote required for a member action must be approved by the  
21                       members.;

22               (3) Removing or adding members; or

23               (4) Increasing or decreasing the vote required for member action.

24          b. The board may adopt or amend a bylaw provision to increase the number of  
25          directors with the approval of the members with voting rights.

26          3.4. Unless the articles or bylaws provide otherwise, at least fifty members with voting  
27          rights or ten percent of the members with voting rights, whichever is less, may propose  
28          a resolution for action by the members to adopt, amend, or repeal bylaws adopted,  
29          amended, or repealed by the board.

30          a. The resolution must contain the provisions proposed for adoption, amendment, or  
31          repeal.

- 1           b. The limitations and procedures for submitting, considering, and adopting the  
2           resolution are the same as provided in section 10-33-15, for amendment of the  
3           articles, except that board approval is not required.
- 4           e. ~~The articles or bylaws may impose different or additional requirements for the~~  
5           ~~members to adopt, amend, or repeal the bylaws.~~

6           **SECTION 45. AMENDMENT.** Section 10-33-28 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8           **10-33-28. Number of directors.**

9           With respect to the number of directors:

- 10          1. The board must consist of three or more directors, with the number specified in or  
11          fixed in accordance with the articles or bylaws. However, if the corporation has either  
12          one or two members with voting rights, the number of directors may be less than three  
13          but not less than the number of members with voting rights.
- 14          2. The number of directors may be increased or, subject to sections 10-33-36 and  
15          10-33-37, decreased at any time by amendment to or in the manner provided in the  
16          articles or bylaws.
- 17          3. Notwithstanding section 10-33-38, if the power to elect or appoint directors is vested in  
18          the board of directors and if the number of directors falls below three, or such greater  
19          minimum number set forth in the articles or bylaws, then a majority of the directors in  
20          office may appoint or elect the number of additional directors necessary to increase  
21          the board to three directors or such greater minimum set forth in the articles or bylaws.

22          **SECTION 46. AMENDMENT.** Subsection 2 of section 10-33-38 of the North Dakota  
23 Century Code is amended and reenacted as follows:

- 24          2. If a vacant office was held by a director elected by a class, chapter, or other  
25          organizational unit or by region or other geographic grouping, only members with  
26          voting rights of the class, chapter, unit, or grouping are entitled to vote to fill the  
27          vacancy.

28          **SECTION 47. AMENDMENT.** Section 10-33-39 of the North Dakota Century Code is  
29 amended and reenacted as follows:

1       **10-33-39. Board meetings.**

2       1. Meetings of the board may be held from time to time as provided in the articles or  
3       bylaws at any place within or without the state that the board may select or by any  
4       means described in subsection 2.

5       a. Unless the articles or bylaws provide otherwise, a meeting of the board must be  
6       held at least once per year.

7       b. If the articles, bylaws, or board fails to select a place or method for selecting a  
8       place for a meeting, the meeting must be held at the principal executive office.

9       c. ~~The board may determine under subsection 2 that a meeting of the board shall~~  
10      ~~be held solely by means of remote communication.~~

11      d. Participation in a meeting by a means set forth in subsection 2 constitutes  
12      presence in person at the meeting.

13      2. Any meeting among directors may be conducted:

14      a. Solely by one or more means of remote communication through which all of the  
15      directors may participate in the meeting:

16          (1) If the notice required by subsection 3 is given for the meeting; and

17          (2) If the number of directors participating in the meeting is sufficient to  
18          constitute a quorum at a meeting.

19      b. By means of conference telephone or, if authorized by the board, by such other  
20      means of remote communication, in each case through which that director, other  
21      directors so participating, and all directors physically present at the meeting  
22      participate with each other during the meeting.

23      3. Unless the articles or bylaws provide for a different time period, a director may call a  
24      board meeting by giving at least ten days' notice or, in the case of organizational  
25      meetings pursuant to subsection 2 of section 10-33-25, at least three days' notice, to  
26      all directors of the date, time, and place of the meeting.

27      a. The notice must contain the substance of the proposed amendment to the  
28      articles but otherwise need not state the purpose of the meeting unless the  
29      articles or bylaws require it.

- 1           b. Any notice to a director given under any provision of this chapter, the articles, or  
2           the bylaws by a form of electronic communication consented to by the director to  
3           whom the notice is given is effective when given.
- 4           c. Consent by a director to notice given by electronic communication may be given  
5           in writing or by authenticated electronic communication. Any consent so given  
6           may be relied upon until revoked by the director, provided that no revocation  
7           affects the validity of any notice given before receipt of revocation of the consent.
- 8           4. If the date, time, and place of a board meeting have been provided in the articles or  
9           bylaws, or announced at a previous meeting of the board, no notice is required. Notice  
10          of an adjourned meeting need not be given other than by announcement at the  
11          meeting at which adjournment is taken.
- 12          5. A director may waive notice of a meeting of the board. A waiver of notice by a director  
13          entitled to notice is effective whether given before, at, or after the meeting, and  
14          whether given in writing, by authenticated electronic communication, or by attendance.  
15          Attendance by a director at a meeting is a waiver of notice of that meeting, except  
16          when the director objects at the beginning of the meeting to the transaction of  
17          business because the meeting is not lawfully called or convened and does not  
18          participate in the meeting after the objection.

19          **SECTION 48. AMENDMENT.** Section 10-33-43 of the North Dakota Century Code is  
20          amended and reenacted as follows:

21          **10-33-43. Action without meeting by directors.**

- 22          1. An action required or permitted to be taken at a board meeting may be taken by  
23          written action signed, or consented to by authenticated electronic communication, by  
24          all of the directors. If the articles so provide, any action, other than an action requiring  
25          member approval of members with voting rights, may be taken by written action  
26          signed, or consented to by authenticated electronic communication, by the number of  
27          directors that would be required to take the same action at a meeting of the board at  
28          which all directors were present.
- 29          2. The written action is effective when signed, or consented to by authenticated  
30          electronic communication, by the required number of directors, unless a different  
31          effective time is provided in the written action.

- 1           3.    When written action is permitted to be taken by less than all directors, all directors  
2                    must be notified immediately of its text and effective date. Failure to provide the notice  
3                    does not invalidate the written action. A director who does not sign or consent to the  
4                    written action has no liability for the action or actions taken thereby.

5           **SECTION 49. AMENDMENT.** Subsection 2 of section 10-33-44 of the North Dakota  
6 Century Code is amended and reenacted as follows:

- 7           2.    Committee members must be individuals. Unless the articles or bylaws provide for a  
8                    different membership or manner of appointment, a committee must consist of one or  
9                    more persons, who need not be directors, appointed by the ~~board~~ affirmative vote of a  
10                   majority of the directors present.

11           **SECTION 50. AMENDMENT.** Subsection 2 of section 10-33-46 of the North Dakota  
12 Century Code is amended and reenacted as follows:

- 13           2.    A contract or transaction described in subsection 1 is not void or voidable if:
- 14                a.    The contract or transaction was, and the person asserting the validity of the  
15                    contract or transaction has the burden of establishing that the contract or  
16                    transaction was, fair and reasonable as to the corporation when it was  
17                    authorized, approved, or ratified;
- 18                b.    The material facts as to the contract or transaction and as to the director's  
19                    interest are fully disclosed or known to the members and the contract or  
20                    transaction is approved in good faith by two-thirds of the members entitled to  
21                    vote, not counting any vote that the interested director might otherwise have, or  
22                    the unanimous affirmative vote of all members, whether or not entitled to vote;
- 23                c.    The material facts as to the contract or transaction and as to the director's  
24                    interest are fully disclosed or known to the board or a committee, and the board  
25                    or committee authorizes, approves, or ratifies the contract or transaction in good  
26                    faith by a majority of directors or committee members currently holding office.  
27                    However, the interested director or directors may not vote and are not considered  
28                    for purposes of a quorum. If as a result the number of remaining directors is not  
29                    sufficient to reach a quorum, then a quorum for the purpose of considering the  
30                    contract or transaction is the number of remaining directors or committee

1            members, not counting any vote that the interested director might otherwise  
2            have, and not counting the director in determining the presence of a quorum; or  
3            d.    The contract or transaction is a merger or consolidation described in section  
4            10-33-85.

5            **SECTION 51. AMENDMENT.** Section 10-33-49 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7            **10-33-49. Officers.**

8            1.    The officers of a corporation must be individuals who are eighteen years of age or  
9            more and must include exercising the functions of the offices and:

10           a.    ~~Must include~~ a president and a secretary. ~~The officers of the corporation may,~~  
11           however designated; and

12           b.    ~~May~~ also include a treasurer, one or more vice presidents, and any other officers  
13           ~~or agents as, however designated, as~~ may be prescribed by the bylaws. ~~Each~~  
14           ~~officer must be elected by the board at the time and in the manner as may be~~  
15           ~~provided in the bylaws unless the articles or bylaws provide the members may~~  
16           ~~elect the officers.~~

17           2.    ~~Unless the articles or the bylaws provide that the members with voting rights may elect~~  
18           ~~the officers:~~

19           a.    ~~Each officer must be elected by the board at the time and in the manner as may~~  
20           ~~be provided in the bylaws; or~~

21           b.    ~~To the extent authorized in the articles, the bylaws, or a resolution approved by~~  
22           ~~the affirmative vote of a majority of the directors present, the president may~~  
23           ~~appoint one or more officers, other than the treasurer.~~

24           3.    ~~Unless otherwise provided, president shall mean chief executive officer and treasurer~~  
25           ~~shall mean chief financial officer.~~

26           **SECTION 52. AMENDMENT.** Section 10-33-51 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28           **10-33-51. Multiple offices.**

29           Any~~Unless the articles or bylaws provide otherwise, any~~ number of offices or functions of  
30 those offices may be held or exercised by the same individual. If a record must be signed by  
31 individuals holding different offices or functions and an individual holds or exercises more than

1 one of those offices or functions, that individual may sign the record in more than one capacity,  
2 but only if the record indicates each capacity in which the individual signs.

3 **SECTION 53. AMENDMENT.** Section 10-33-52 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **10-33-52. Officers deemed elected.**

6 In the absence of an election or appointment of officers by the board or the members with  
7 voting rights, the individual or individuals exercising the functions of the principal officers of the  
8 corporation are deemed to have been elected to those offices.

9 **SECTION 54. AMENDMENT.** Subsection 2 of section 10-33-54 of the North Dakota  
10 Century Code is amended and reenacted as follows:

11 2. With respect to removal:

12 a. Except as otherwise provided in the articles or bylaws, an officer may be  
13 removed at any time, with or without cause, by a resolution adopted by the board  
14 or by the members with voting rights, whichever elected or appointed the officer.

15 The

16 b. An officer appointed by the president may also be removed at any time, with or  
17 without cause, by the president.

18 c. To the extent authorized in the articles, the bylaws, or a resolution approved by  
19 the affirmative vote of a majority of the directors present, the president of a  
20 corporation may remove an officer elected or appointed by the board, other than  
21 the treasurer.

22 d. The articles or the bylaws may provide other manners of removing an officer.

23 e. A removal as described in this subsection is without prejudice to any contractual  
24 rights of the officer.

25 **SECTION 55. AMENDMENT.** Subsection 11 of section 10-33-84 of the North Dakota  
26 Century Code is amended and reenacted as follows:

27 11. ~~This~~Nothing in this section does not shall be construed to limit the power of the  
28 corporation to indemnify persons other than a director, an officer, an employee, or a  
29 member of a committee of the board by contract or otherwise.

30 **SECTION 56. AMENDMENT.** Subsection 2 of section 10-33-87 of the North Dakota  
31 Century Code is amended and reenacted as follows:

1           2. If a constituent corporation has members with voting rights with respect to mergers  
2           and consolidations as required by section 10-33-42, the board of directors of the  
3           corporation shall adopt a resolution by the affirmative vote of a majority vote of all  
4           directors approving a proposed plan of merger or consolidation and directing that the  
5           plan be submitted to a vote at a meeting of the members with voting rights. Notice of  
6           the meeting must be given to ~~the member~~each member with voting rights,  
7           accompanied by a copy or summary of the proposed plan. Unless the articles or  
8           bylaws require a greater vote, the plan of merger or consolidation is adopted upon  
9           receiving the affirmative vote of a majority of the members ~~who vote upon the~~  
10          ~~proposed plan~~with voting rights voting on the action.

11          **SECTION 57. AMENDMENT.** Section 10-33-94 of the North Dakota Century Code is  
12          amended and reenacted as follows:

13          **10-33-94. Transfer of assets - When permitted.**

- 14          1. A corporation may sell, lease, transfer, dispose of, or grant a security interest in all or  
15          substantially all of the property and assets only as provided in this section.
- 16          2. Unless otherwise provided in its articles or bylaws, a corporation, by affirmative vote of  
17          ~~the board~~a majority of directors, may sell, lease, transfer, or dispose of all or  
18          substantially all of its property and assets in the usual and regular course of its  
19          activities and, ~~subject to subsection 1 of section 10-33-82, grant a security interest in~~  
20          ~~all or substantially all of its property and assets whether or not in the usual and regular~~  
21          ~~course of its activities~~, upon those terms and conditions and for those considerations,  
22          which may be money, securities, or other instruments for the payment of money or  
23          other property, as the board considers expedient, ~~in which case no member approval~~  
24          ~~is required.~~ Member approval is not required under this subsection.
- 25          ~~2-3.~~ A corporation, by affirmative vote of ~~the board~~a majority of all directors, may sell,  
26          lease, transfer, or dispose of all or substantially all of its property and assets, including  
27          its goodwill, not in the usual and regular course of its activities, upon those terms and  
28          conditions and for those considerations, which may be money, securities, or other  
29          instruments for the payment of money or other property, as the board considers  
30          expedient, ~~when approved at a regular or special meeting of the members by the~~  
31          ~~affirmative vote of the majority of the members with voting rights.~~

- 1 a. If there are members with voting rights, then the sale, lease, transfer, or  
2 disposition must be submitted to the members under subdivision c. If there are  
3 not members with voting rights, then member approval is not required.
- 4 b. ~~Notice~~Written notice of the meeting must be given to ~~the member~~each member  
5 with voting rights within the time and in the manner provided in section 10-33-68  
6 for notice of meetings of members.
- 7 c. ~~The~~Whether the meeting is an annual or special meeting, the notice must state  
8 that a purpose of the meeting is to consider the sale, lease, transfer, or other  
9 disposition of all or substantially all of the property and assets of the corporation.  
10 The sale, lease, transfer, or disposition must be approved at a regular or special  
11 meeting of the members by the affirmative vote of the majority of the members  
12 with voting rights voting on the action.
- 13 d. Unless otherwise provided in its articles or bylaws and subject to subsection 1 of  
14 section 10-33-82, a corporation may, by the affirmative vote of a majority of  
15 directors, grant a security interest in all or substantially all of its property and  
16 assets whether in the usual and regular course of its activities, upon those terms  
17 and conditions and for those considerations, which may be money, securities, or  
18 other instruments for the payment of money or other property as the board  
19 considers expedient. Member approval is not required under this subsection.
- 20 ~~3-4.~~ If applicable, a corporation shall comply with sections 10-33-122 and 10-33-144 before  
21 selling, leasing, transferring, or disposing of all or substantially all of the corporation's  
22 assets under this section.
- 23 ~~4-5.~~ Confirmatory deeds, assignments, or similar instruments to evidence a sale, lease,  
24 transfer, or other disposition may be signed and delivered at any time in the name of  
25 the transferor by its current officers or, if the corporation no longer exists, by its last  
26 officers.
- 27 ~~5-6.~~ The transferee is liable for the debts, obligations, and liabilities of the transferor only to  
28 the extent provided in the contract or agreement between the transferee and the  
29 transferor or to the extent provided by this chapter or other statutes of this state.

30 **SECTION 58. AMENDMENT.** Subsection 3 of section 10-33-98 of the North Dakota  
31 Century Code is amended and reenacted as follows:

- 1           3. With respect to approval by members with voting rights:  
2           a. Written notice:  
3               (1) Must be given to each member with voting rights, within the time and in the  
4                     manner provided in section 10-33-68 for notice of meetings of members;  
5                     and  
6               (2) Whether the meeting is a regular or a special meeting, must state that a  
7                     purpose of the meeting is to consider dissolving the corporation.  
8           b. The proposed dissolution must be submitted for approval at a meeting of  
9                     members. If the proposed dissolution is approved by the members with voting  
10                    rights, the dissolution must be started.

11           **SECTION 59. AMENDMENT.** Section 10-33-134 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13           **10-33-134. Foreign corporation - Revocation of certificate of authority.**

- 14           1. The certificate of authority of a foreign corporation to conduct activities in this state  
15                     may be revoked by the secretary of state if:  
16           a. The foreign corporation has failed to:  
17               (1) Appoint and maintain a registered agent and registered office as provided in  
18                     chapter 10-01.1; ~~or~~  
19               (2) File in the office of the secretary of state any amendment to its application  
20                     for a certificate of authority as ~~specified~~provided in section 10-33-130;  
21               (3) File in the office of the secretary of state any merger as provided in section  
22                     10-33-132; or  
23               (4) File in the office of the secretary of state an application for certificate of  
24                     withdrawal of its authority as provided in section 10-33-133 when the  
25                     corporation's existence has expired or the corporation has been dissolved in  
26                     the jurisdiction of incorporation; or  
27           b. A misrepresentation has been made of any material matter in any application,  
28                     report, affidavit, or other record submitted by the foreign corporation pursuant to  
29                     this chapter.

- 1           2. Except revocation of the certificate of authority for failure to file the annual report as  
2           provided in section 10-33-139, no certificate of authority of a foreign corporation may  
3           be revoked by the secretary of state unless:
- 4           a. The secretary of state has given the foreign corporation not less than sixty days'  
5           notice by mail addressed to its registered agent at the registered office in this  
6           state or, if the foreign corporation fails to appoint and maintain a registered agent  
7           in this state, then addressed to its principal executive office; and
- 8           b. During the sixty-day period, the foreign corporation has failed to:
- 9           (1) File the report of change as provided in chapter 10-01.1 regarding the  
10           registered office or the registered agent;
- 11           (2) File any amendment; or
- 12           (3) Correct the misrepresentation.
- 13           3. Upon the expiration of sixty days after the mailing of the notice, the authority of the  
14           foreign corporation to conduct activities in this state ceases. The secretary of state  
15           shall issue a notice of revocation and shall mail the notice to the registered agent at  
16           the registered office in this state or, if the foreign corporation failed to appoint and  
17           maintain a registered agent or a registered office in this state, then addressed to the  
18           principal executive office of the foreign corporation.

19           **SECTION 60. AMENDMENT.** Subsection 1 of section 10-33-140 of the North Dakota  
20 Century Code is amended and reenacted as follows:

- 21           1. The secretary of state shall charge and collect for:
- 22           a. Filing articles of incorporation and issuing a certificate of incorporation, forty  
23           dollars.
- 24           b. Filing articles of amendment, twenty dollars.
- 25           c. Filing ~~articles~~statement of correction, twenty dollars.
- 26           d. Filing restated articles of incorporation, thirty dollars.
- 27           e. Filing articles of merger or consolidation and issuing a certificate of merger or  
28           consolidation, fifty dollars.
- 29           f. Filing an intent to dissolve, ten dollars.
- 30           g. Filing articles of dissolution, twenty dollars.

- 1 h. Filing a statement of change of address of registered office or change of  
2 registered agent, or both, the fee provided in section 10-01.1-03.
- 3 i. Filing an application to reserve a corporate name, ten dollars.
- 4 j. Filing a notice of transfer of a reserved corporate name, ten dollars.
- 5 k. Filing a cancellation of reserved corporate name, ten dollars.
- 6 l. Filing a consent to use of a deceptively similar name, ten dollars.
- 7 m. Filing an application of a foreign corporation for a certificate of authority to  
8 conduct affairs in this state and issuing a certificate of authority, fifty dollars.
- 9 n. Filing an application of a foreign corporation for an amended certificate of  
10 authority, forty dollars.
- 11 o. Filing a certified statement of merger of a foreign corporation holding a certificate  
12 of authority to conduct activities in this state, fifty dollars.
- 13 p. Filing an application for withdrawal of a foreign corporation and issuing a  
14 certificate of withdrawal, twenty dollars.
- 15 q. Filing an annual report of a domestic or foreign corporation, ten dollars.
- 16 (1) The secretary of state shall charge and collect additional fees for late filing  
17 of the annual report:
- 18 (a) After the date provided in subsection 3 of section 10-33-139, five  
19 dollars; and
- 20 (b) After the dissolution of a corporation, or the revocation of the  
21 certificate of authority of a foreign corporation, the reinstatement fee  
22 of forty dollars.
- 23 (2) Fees paid to the secretary of state according to this subdivision are not  
24 refundable if an annual report submitted to the secretary of state cannot be  
25 filed because it lacks information required by section 10-33-139, or the  
26 annual report lacks sufficient payment as required by this subdivision.
- 27 r. Submitting any record for approval before the actual time of submission for filing,  
28 one-half of the fee provided in this subsection for filing the record.
- 29 s. Filing any other statement of a domestic or foreign corporation, ten dollars.

30 **SECTION 61.** Subsection 3 to section 10-33-142 of the North Dakota Century Code is  
31 created and enacted as follows:

- 1        3. Any certificate or certified copy issued by the secretary of state under this section may  
2            be created and disseminated as an electronic record with the same force and effect as  
3            if produced in a paper form.

4        **SECTION 62. AMENDMENT.** Section 10-35-33 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6        **10-35-33. Funds received.**

7        ~~Ten~~Twenty percent of the fees received by the secretary of state for filing records of a  
8 publicly traded corporation as provided for in section 10-19.1-147 or this chapter must be  
9 deposited in the secretary of state's general services operating fund to pay the cost to  
10 administer this chapter.

11       **SECTION 63. AMENDMENT.** Section 45-10.2-10 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13       **45-10.2-10. Limited partnership name.**

- 14       1. The name of each limited partnership as set forth in the certificate of limited  
15            partnership:
- 16            a. Must be expressed in letters or characters used in the English language or in  
17            another language expressed in English as those letters or characters appear in  
18            the American standard code for information interchange (ASCII) table.
  - 19            b. Must contain without abbreviation the words "limited partnership" or the  
20            abbreviation "L.P." or "LP", either of which abbreviations may be used  
21            interchangeably for all purposes authorized by this chapter, including real estate  
22            matters, contracts, and filings with the secretary of state.
  - 23            c. May contain the name of any partner.
  - 24            d. May not contain the word "corporation", "company", "incorporated", "limited  
25            liability company", "limited liability partnership", "limited liability limited  
26            partnership", or any abbreviation of these words.
  - 27            e. May not contain a word or phrase that indicates or implies that the limited  
28            partnership:
    - 29                    (1) Is organized for a purpose other than:
      - 30                            (a) A lawful purpose for which a limited partnership may be organized  
31                                    under this chapter; or

- 1 (b) For a purpose stated in its certificate of limited partnership; or  
2 (2) May not be organized under this chapter.  
3 f. May not be the same as or deceptively similar to:  
4 (1) The name, whether foreign and authorized to do business in this state or  
5 domestic, unless there is filed with the certificate of limited partnership a  
6 record in compliance with subsection 3, of:  
7 (a) Another limited partnership;  
8 (b) A corporation;  
9 (c) A limited liability company;  
10 (d) A limited liability partnership; or  
11 (e) A limited liability limited partnership;  
12 (2) A name the right to which is, at the time of the filing of the certificate of  
13 limited partnership, reserved in the manner provided in section 10-19.1-14,  
14 10-32-11, 10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;  
15 (3) A fictitious name registered in the manner provided in chapter 45-11; or  
16 (4) A trade name registered in the manner provided in chapter 47-25; or  
17 (5) A trademark or service mark registered in the manner provided in chapter  
18 47-22.  
19 2. The secretary of state shall determine whether a limited partnership name is  
20 deceptively similar to another name for purposes of this chapter.  
21 3. If the secretary of state determines a limited partnership name is deceptively similar to  
22 another name for purposes of this chapter, then the limited partnership name may not  
23 be used unless there is filed with the articles:  
24 a. The written consent of the holder of the registered trade name or the holder of  
25 the rights to the name to which the proposed name has been determined to be  
26 deceptively similar; or  
27 b. A certified copy of a judgment of a court in this state establishing the prior right of  
28 the applicant to the use of the name in this state.  
29 4. Subsection 3 does not affect the right of a limited partnership existing on the effective  
30 date of this chapter, or a foreign limited partnership authorized to do business in this  
31 state on that date, to continue the use of its name.

- 1           5. This section and section 45-10.2-11 do not:
- 2           a. Abrogate or limit:
- 3                 (1) The law of unfair competition or unfair practices;
- 4                 (2) Chapter 47-25;
- 5                 (3) The laws of the United States with respect to the right to acquire and protect
- 6                         copyrights, trade names, trademarks, service names, and service marks; or
- 7                 (4) Any other right to the exclusive use of names or symbols; or
- 8           b. Derogate the common law or the principles of equity.
- 9           6. A limited partnership that is the surviving organization in a merger with one or more
- 10                 organizations, or that acquires by sale, lease, or other disposition to or exchange with
- 11                 an organization all or substantially all of the assets of another organization including its
- 12                 name, may include in its name, subject to the requirements of subsection 1, the name
- 13                 of any of the organizations, if the other organization whose name is sought to be used:
- 14                 a. Was incorporated, organized, formed, or registered under the laws of this state;
- 15                 b. Is authorized to transact business or conduct activities in this state;
- 16                 c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,
- 17                         10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;
- 18                 d. Holds a fictitious name registered in the manner provided in chapter 45-11; or
- 19                 e. Holds a trade name registered in the manner provided in chapter 47-25; or
- 20                 f. Holds a trademark or service mark registered in the manner provided in chapter
- 21                         47-22.
- 22           7. The use of a name by a limited partnership in violation of this section does not affect
- 23                 or vitiate its limited partnership existence. However, a court in this state may, upon
- 24                 application of the state or of an interested or affected person, enjoin the limited
- 25                 partnership from doing business under a name assumed in violation of this section,
- 26                 although its certificate of limited partnership may have been filed with the secretary of
- 27                 state.
- 28           8. A limited partnership whose period of existence has expired or that is involuntarily
- 29                 dissolved by the secretary of state as provided in section 45-10.2-108 may reacquire
- 30                 the right to use that name by refiling a certificate of limited partnership pursuant to
- 31                 section 45-10.2-23 unless the name has been adopted for use or reserved by another

1 person, in which case the filing will be rejected unless the filing is accompanied by a  
2 written consent or judgment pursuant to subsection 3. A limited partnership that cannot  
3 reacquire the use of its limited partnership name shall adopt a new limited partnership  
4 name that complies with this section by refiling a certificate of limited partnership as  
5 provided in section 45-10.2-23; by amending its certificate of limited partnership as  
6 provided in section 45-10.2-24; or by reinstating the limited partnership pursuant to  
7 section 45-10.2-108. If the new limited partnership name has been adopted for use or  
8 reserved by another person, the filing will be rejected unless the filing is accompanied  
9 by a written consent or judgment as provided in subsection 3.

10 9. Subject to section 45-10.2-78, this section applies to any foreign limited partnership  
11 transacting business in this state, having a certificate of authority to transact business  
12 in this state, or applying for a certificate of authority.

13 10. A limited partnership that files its certificate of limited partnership with an effective date  
14 later than the date of filing as provided in subsection 1 of section 45-10.2-23 shall  
15 maintain the right to the name until the effective date.

16 **SECTION 64. AMENDMENT.** Section 45-10.2-85 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **45-10.2-85. Foreign limited partnership - Cancellation of certificate of authority -**  
19 **Effect of failure to have certificate.**

20 1. In order to cancel its certificate of authority to transact business in this state, a foreign  
21 limited partnership must deliver to the secretary of state for filing a

22 a. A certified notice of cancellation duly authenticated by the proper officer of the  
23 state or country where the cancellation was effected;

24 b. A certified statement of dissolution duly authenticated by the proper officer of the  
25 state or country where the dissolution was effected; or

26 c. A statement of withdrawal signed by a general partner.

27 The certificate is canceled when the notice of cancellation, statement of dissolution, or  
28 statement of withdrawal becomes effective under section 45-10.2-27.

29 2. A foreign limited partnership transacting business in this state may not maintain an  
30 action or proceeding in this state unless it has a certificate of authority to transact  
31 business in this state.

- 1       3.   The failure of a foreign limited partnership to have a certificate of authority to transact  
2       business in this state does not impair the validity of a contract or act of the foreign  
3       limited partnership or prevent the foreign limited partnership from defending an action  
4       or proceeding in this state.
- 5       4.   A partner of a foreign limited partnership is not liable for the obligations of the foreign  
6       limited partnership solely by reason that the foreign limited partnership has transacted  
7       business in this state without a certificate of authority.
- 8       5.   If a foreign limited partnership transacts business in this state without a certificate of  
9       authority or cancels its certificate of authority, then it appoints the secretary of state as  
10      its agent for service of process for rights of action arising out of the transaction of  
11      business in this state.
- 12     6.   A foreign limited partnership that transacts business in this state without a certificate of  
13      authority is liable to the state for the years or parts of years during which the foreign  
14      limited partnership transacted business in this state without the certificate of authority  
15      in an amount equal to all fees that would have been imposed by this chapter upon that  
16      foreign limited partnership had the foreign limited partnership duly obtained a  
17      certificate of authority, filed all reports required by this chapter, and paid all penalties  
18      imposed by this chapter. The attorney general shall bring proceedings to recover all  
19      amounts due this state under this section.
- 20     7.   A foreign limited partnership that transacts business in this state without a certificate of  
21      authority is subject to a civil penalty, payable to the state, not to exceed five thousand  
22      dollars. Each general partner and each agent who authorizes, directs, or participates  
23      in the transaction of business in this state on behalf of a foreign limited partnership  
24      that has not obtained a certificate of authority is subject to a civil penalty, payable to  
25      the state, not to exceed one thousand dollars.
- 26     8.   The civil penalties set forth in subsection 7 may be recovered in an action brought  
27      within the district court of Burleigh County by the attorney general. Upon a finding by  
28      the court that a foreign limited partnership or any of the general partners or agents of  
29      the foreign limited partnership have transacted business in this state in violation of this  
30      chapter, the court shall issue, in addition to the imposition of a civil penalty, an  
31      injunction restraining the further transaction of the business of the foreign limited

1 partnership and further exercise of any rights and privileges by the foreign limited  
2 partnership in this state. The foreign limited partnership must be enjoined from  
3 transacting business in this state until all civil penalties plus any interest and court  
4 costs that the court may assess have been paid and until the foreign limited  
5 partnership has otherwise complied with the provisions of this chapter.

6 **SECTION 65. AMENDMENT.** Section 45-10.2-87 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **45-10.2-87. Foreign limited partnership - Revocation of certificate of authority.**

- 9 1. The certificate of authority of a foreign limited partnership to transact business in this  
10 state may be revoked by the secretary of state if:
- 11 a. The foreign limited partnership has failed to:
- 12 (1) Appoint and maintain a registered agent as provided in chapter 10-01.1 and,  
13 if a noncommercial registered agent, then the address of that  
14 noncommercial registered agent in this state;
- 15 (2) Maintain the registration of a general partner as required in section  
16 45-10.2-16;
- 17 (3) File a report upon any change in the address of its principal executive office;  
18 or
- 19 (4) File in the office of the secretary of state any amendment to its application  
20 for certificate of authority as ~~specified~~provided in section 45-10.2-81;
- 21 (5) File in the office of the secretary of state any merger as provided in section  
22 45-10.2-83; or
- 23 (6) File in the office of the secretary of state a cancellation as provided in  
24 section 45-10.2-85 when the limited partnership's existence has expired or  
25 the limited partnership has dissolved or ceased to exist in the jurisdiction of  
26 organization; or
- 27 b. A misrepresentation has been made of any material matter in an application,  
28 report, affidavit, or other record submitted by the foreign limited partnership  
29 pursuant to this chapter.

- 1           2.    Except for revocation of the certificate of authority for failure to file the annual report as  
2                    provided in section 45-10.1-108, no certificate of authority may be revoked by the  
3                    secretary of state unless:
- 4            a.    The secretary has given the foreign limited partnership at least sixty days' notice  
5                    by mail addressed to its registered agent at the registered office in this state or if  
6                    the foreign limited partnership fails to appoint and maintain a registered agent in  
7                    this state, then addressed to its principal executive office; and
- 8            b.    During the sixty-day period, the foreign limited partnership has failed to file:
- 9                    (1) File the report of change as provided in chapter 10-01.1 regarding the  
10                    registered office or the registered agent, ~~to~~;
- 11                   (2) To register a general partner as required by section 45-10.2-16, ~~to~~;
- 12                   (3) To file any amendment, merger, or cancellation; or ~~to~~
- 13                   (4) To correct the misrepresentation.
- 14           3.    Upon the expiration of sixty days after the mailing of the notice:
- 15            a.    The authority of the foreign limited partnership to transact business in this state  
16                    ceases; and
- 17            b.    The secretary of state shall issue a notice of revocation and shall mail the notice  
18                    to the registered office of the foreign limited partnership, or if the foreign limited  
19                    partnership has failed to maintain a registered office, then to its principal  
20                    executive office.

21           **SECTION 66. AMENDMENT.** Subsection 15 of section 45-10.2-109 of the North Dakota  
22 Century Code is amended and reenacted as follows:

- 23           15.    Filing a certificate of authority of foreign limited partnership, one hundred ten dollars.

24           **SECTION 67.** Subsection 3 to section 45-10.2-112 of the North Dakota Century Code is  
25 created and enacted as follows:

- 26           3.    Any certificate or certified copy issued by the secretary of state under this section may  
27                   be created and disseminated as an electronic record with the same force and effect as  
28                   if produced in a paper form.

29           **SECTION 68.** Section 45-21-04.3 of the North Dakota Century Code is created and enacted  
30 as follows:

1        **45-21-04.3. Foreign partnership - Conversion of foreign partnership authorized to**  
2 **transact business in this state.**

3        If a foreign partnership transacting business in this state converts to another organization  
4 permitted by its governing statute, and the converted organization will continue to transact  
5 business in this state, within thirty days after the conversion becomes effective, the newly  
6 created organization resulting from the conversion shall:

- 7        1. File with the secretary of state a certified statement of conversion duly authenticated  
8 by the proper officer of the jurisdiction in which the statutory conversion was effected;  
9 and  
10        2. Shall obtain a certificate of authority or applicable registration in accordance with the  
11 North Dakota governing statute applicable to the converted organization.

12        **SECTION 69. AMENDMENT.** Subsection 3 of section 45-22-03 of the North Dakota  
13 Century Code is amended and reenacted as follows:

- 14        3. A registration, signed by a managing partner, must contain:  
15        a. With respect to a domestic limited liability partnership:  
16            (1) The name of the domestic limited liability partnership.  
17            (2) The nature of the business to be transacted in this state.  
18            (3) A statement indicating whether the limited liability partnership will be  
19            engaged in farming or ranching in this state or owning or leasing land in this  
20            state which is used for farming or ranching.  
21            (4) The address of the principal executive office of the domestic limited liability  
22            partnership.  
23            (5) The name of the registered agent of the domestic limited liability partnership  
24            as provided in chapter 10-01.1 and, if a noncommercial registered agent,  
25            the address of that noncommercial registered agent in this state.  
26            (6) The name and address of each managing partner and, if the limited liability  
27            partnership will be engaged in farming or ranching in this state or owning or  
28            leasing land in this state which is used for farming or ranching, then the  
29            names and addresses of all partners.  
30            (7) A statement that the partnership elects to be a limited liability partnership.  
31            (8) A deferred effective date, if any.

- 1           b. With respect to a foreign limited liability partnership:
- 2           (1) The name of the foreign limited liability partnership and, if different, the
- 3           name under which the foreign limited liability partnership proposes to
- 4           transact business in this state.
- 5           (2) The jurisdiction of origin.
- 6           (3) The date on which the foreign limited liability partnership expires in the
- 7           jurisdiction of origin.
- 8           (4) The nature of the business to be transacted in this state.
- 9           (5) A statement indicating whether the foreign limited liability partnership will be
- 10          engaged in farming or ranching in this state or owning or leasing land in this
- 11          state which is used for farming or ranching.
- 12          (6) The address of the principal executive office of the foreign limited liability
- 13          partnership.
- 14          (7) The name of the registered agent of the foreign limited liability partnership
- 15          as provided in chapter 10-01.1 and, if a noncommercial registered agent,
- 16          the address of that registered agent in this state.
- 17          (8) The name and address of each managing partner and, if the foreign limited
- 18          liability partnership will be engaged in farming or ranching in this state or
- 19          owning or leasing land in this state which is used for farming or ranching,
- 20          then the names and addresses of all partners.
- 21          (9) An acknowledgment that the status of the foreign limited liability partnership
- 22          in this state will automatically expire unless the foreign limited liability
- 23          partnership continuously maintains limited liability partnership status in the
- 24          jurisdiction of origin.
- 25          c. The registration must be accompanied by payment of the fees provided in section
- 26          45-22-22 together with a certificate of good standing or certificate of existence
- 27          authenticated by the registering officer of the state or country where the foreign
- 28          limited liability partnership is originally registered ~~and the consent of the~~
- 29          ~~designated registered agent for service of process to serve in that capacity.~~

30           **SECTION 70. AMENDMENT.** Section 45-22-04 of the North Dakota Century Code is

31   amended and reenacted as follows:

1       **45-22-04. Limited liability partnership - Name.**

2       1. The name of a limited liability partnership:

3           a. Must be expressed in letters or characters in the English language ~~or in any other~~  
4           ~~language, expressed in English~~ as those letters or characters appear in the  
5           American standard code for information interchange (ASCII) table.

6           b. Must contain the words "limited liability partnership" or the abbreviation "L.L.P." or  
7           the abbreviation "LLP", either of which abbreviations may be used  
8           interchangeably for all purposes authorized by this chapter, including real estate  
9           matters, contracts, and filings with the secretary of state.

10          c. May not contain the word "corporation", "company", "incorporated", "limited  
11          liability company", "limited partnership", "limited liability limited partnership", or  
12          any abbreviation of these words.

13          d. May not contain a word or phrase that indicates or that implies that the limited  
14          liability partnership:

15           (1) Is formed for a purpose other than:

16               (a) A lawful purpose for which a limited liability partnership may be  
17               formed under this chapter; or

18               (b) For a purpose stated in its registration; or

19           (2) May not be formed under this chapter.

20          e. May not be the same as or deceptively similar to:

21           (1) The name, whether foreign and authorized to do business in this state or  
22           domestic, unless there is filed with the registration a record that complies  
23           with subsection 3, of:

24               (a) Another limited liability partnership;

25               (b) A corporation;

26               (c) A limited liability company;

27               (d) A limited partnership; or

28               (e) A limited liability limited partnership;

29           (2) A name, the right to which is at the time of registration reserved in the  
30           manner provided in section 10-19.1-14, 10-32-11, 10-33-11, 45-10.2-11,  
31           45-13-04.2, or 45-22-05;

- 1                   (3) A fictitious name registered in the manner provided in chapter 45-11; or
- 2                   (4) A trade name registered in the manner provided in chapter 47-25; or
- 3                   (5) A trademark or service mark registered in the manner provided in chapter
- 4                   47-22.
- 5                   f. Need not be filed as provided in chapter 45-11 except if transacting business
- 6                   under a name other than the name as registered under this chapter.
- 7                   2. The secretary of state shall determine whether a name is deceptively similar to
- 8                   another name for purposes of this chapter.
- 9                   3. If the secretary of state determines that a limited liability partnership name is
- 10                   deceptively similar to another name for purposes of this chapter, the limited liability
- 11                   partnership name may not be used unless there is filed with the registration:
- 12                   a. The written consent of the holder of the rights to the name to which the proposed
- 13                   name has been determined to be deceptively similar; or
- 14                   b. A certified copy of a judgment of a court in this state establishing the earlier right
- 15                   of the applicant to the use of the name in this state.
- 16                   4. This section and section 45-22-05 do not:
- 17                   a. Abrogate or limit:
- 18                   (1) The law of unfair competition or unfair practices;
- 19                   (2) Chapter 47-25;
- 20                   (3) The laws of the United States with respect to the right to acquire and protect
- 21                   copyrights, trade names, trademarks, service names, and service marks; or
- 22                   (4) Any other rights to the exclusive use of names or symbols.
- 23                   b. Derogate the common law or principles of equity.
- 24                   5. A limited liability partnership that is the surviving organization in a merger with one or
- 25                   more organizations, or that acquires by sale, lease, or other disposition to or exchange
- 26                   with a domestic organization all or substantially all of the assets of another
- 27                   organization including its name, may have the same name, subject to the
- 28                   requirements of subsection 1, as that used in this state by any of the other
- 29                   organizations, if the other organization whose name is sought:
- 30                   a. Is incorporated, organized, formed, or registered under the laws of this state;
- 31                   b. Is authorized to transact business or conduct activities in this state;

- 1           c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,  
2                   10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;
- 3           d. Holds a fictitious name registered in the manner provided in chapter 45-11; or
- 4           e. Holds a trade name registered in the manner provided in chapter 47-25; or
- 5           f. Holds a trademark or service mark registered in the manner provided in chapter  
6                   47-22.
- 7       6. The use of a name by a limited liability partnership in violation of this section does not  
8       affect or vitiate the limited liability partnership's status as a limited liability partnership.  
9       However, a court of this state may, upon application of the state or of an interested or  
10       affected person, enjoin the limited liability partnership from doing business under a  
11       name assumed in violation of this section, even though the limited liability  
12       partnership's registration may have been filed with the secretary of state.
- 13       7. A limited liability partnership whose registration has expired or whose registration has  
14       been forfeited as provided in section 45-22-21.1 may reacquire the right to use that  
15       name by refiling a registration as provided in section 45-22-03 unless the name has  
16       been adopted for use or reserved by another person, in which case the filing will be  
17       rejected unless the filing is accompanied by a written consent or judgment pursuant to  
18       subsection 3. A limited liability partnership that cannot reacquire the use of its limited  
19       liability partnership name shall adopt a new limited liability partnership name that  
20       complies with this section:
- 21           a. By refiling a registration as provided in section 45-22-03;
- 22           b. By amending its registration as provided in section 45-22-03; or
- 23           c. By reinstating the limited liability partnership pursuant to section 45-22-21.1,  
24                   unless the name has been adopted for use or reserved by another person, in  
25                   which case the filing will be rejected unless the filing is accompanied by a written  
26                   consent or judgment as provided in subsection 3.
- 27       8. With respect to foreign limited liability partnerships:
- 28           a. A foreign limited liability partnership may register under any name that would be  
29                   available to a domestic limited liability partnership, regardless of whether the  
30                   name is the same under which the foreign limited liability partnership is  
31                   authorized in the jurisdiction of original registration.

1           b. A fictitious name certificate must be filed as provided in chapter 45-11 only if  
2           registering under a name other than the name as authorized in the jurisdiction of  
3           original registration.

4           9. A limited liability partnership that files its registration with an effective date later than  
5           the date of filing as provided in subsection 1 of section 45-22-03 shall maintain the  
6           right to the name until the effective date.

7           **SECTION 71. AMENDMENT.** Section 45-22-16 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9           **45-22-16. Revocation of registration.**

- 10          1. The registration of a limited liability partnership may be revoked by the secretary of  
11          state if:
- 12          a. The limited liability partnership fails:
- 13               (1) To appoint and maintain a registered agent and registered office as provided  
14               in chapter 10-01.1; or
- 15               (2) To file any amendment to the limited liability partnership's registration  
16               required to be filed pursuant to subdivision b or c of subsection 4 of section  
17               45-22-03;
- 18               (3) Fails to file a merger as required to be filed pursuant to subdivision d of  
19               subsection 4 of section 45-22-03; or
- 20               (4) Fails to file a withdrawal statement or cancellation of its registration if the  
21               limited liability partnership's existence expires, it is dissolved, or ceases to  
22               exist in the jurisdiction of origin.
- 23          b. An intentional misrepresentation is made in any material matter in any  
24          registration, report, affidavit, or other document submitted by the limited liability  
25          partnership pursuant to this chapter.
- 26          2. Except for revocation of the registration for failure to file the annual report as provided  
27          in section 45-22-21.1, the secretary of state may not revoke the registration of a  
28          limited liability partnership unless:
- 29          a. The secretary of state gave the limited liability partnership at least sixty days'  
30          notice of the reason for the pending revocation by mail addressed to the limited  
31          liability partnership's registered agent at the registered office or, if the limited

1 liability partnership fails to appoint and maintain a registered agent in this state,  
2 by mail addressed to the limited liability partnership's principal executive office;  
3 and

4 b. During the sixty-day period, the limited liability partnership fails:

5 (1) To appoint and maintain a registered agent as provided in chapter 10-01.1;

6 (2) To file the report of change regarding the name or business address of the  
7 registered agent;

8 (3) To file any amendment to the limited liability partnership's registration  
9 required to be filed pursuant to subdivision b or c of subsection 4 of section  
10 45-22-03; or

11 (4) To correct the misrepresentation.

12 3. Upon the expiration of the sixty-day period without the limited liability partnership  
13 curing the reason for the pending revocation set forth in the notice, the registration is  
14 revoked. The secretary of state shall note the revocation in the records of the  
15 secretary of state and shall give notice of the revocation to the limited liability  
16 partnership. Notice by the secretary of state must be mailed to the last registered  
17 agent at the last registered office. If the limited liability partnership ~~fails~~failed to appoint  
18 and maintain a registered office in this state, the notice must be mailed to the limited  
19 liability partnership's principal executive office.

20 **SECTION 72.** Subsection 3 to section 45-22-24 of the North Dakota Century Code is  
21 created and enacted as follows:

22 3. Any certificate or certified copy issued by the secretary of state under this section may  
23 be created and disseminated as an electronic record with the same force and effect as  
24 if produced in a paper form.

25 **SECTION 73. AMENDMENT.** Section 45-23-03 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **45-23-03. Limited liability limited partnership name.**

28 1. The name of each limited liability limited partnership as set forth in the limited liability  
29 limited partnership's certificate of limited liability limited partnership:

- 1           a.    Must be expressed in letters or characters used in the English language or in-  
2                    another language expressed in English as those letters or characters appear in  
3                    the American standard code for information interchange (ASCII) table.
- 4           b.    Must contain without abbreviation the words "limited liability limited partnership"  
5                    or the abbreviation "L.L.L.P." or "LLLLP", either of which abbreviation may be used  
6                    interchangeably for any purpose authorized by this chapter including real estate  
7                    matters, contracts, and filings with the secretary of state.
- 8           c.    May contain the name of any partner.
- 9           d.    May not contain the word "corporation", "company", "incorporated", "limited  
10                   liability company", "limited liability partnership", or any abbreviation of these  
11                   words.
- 12           e.    May not contain a word or phrase that indicates or that implies that the limited  
13                   liability limited partnership:
- 14                   (1)   Is organized for a purpose other than:
- 15                           (a)   A lawful purpose for which a limited liability limited partnership may be  
16                                       organized under this chapter; or
- 17                           (b)   For a purpose stated in its certificate of limited liability limited  
18                                       partnership; or
- 19                   (2)   May not be organized under this chapter.
- 20           f.    May not be the same as, or deceptively similar to:
- 21                   (1)   The name, whether foreign and authorized to do business in this state or  
22                               domestic, unless there is filed with the certificate a record in compliance  
23                               with subsection 3, of:
- 24                           (a)   Another limited liability limited partnership;
- 25                           (b)   A limited partnership;
- 26                           (c)   A corporation;
- 27                           (d)   A limited liability company; or
- 28                           (e)   A limited liability partnership;
- 29                   (2)   A name the right to which is, at the time of organization, reserved in the  
30                               manner provided in section 10-19.1-14, 10-32-11, 10-33-11, 45-10.2-11,  
31                               45-13-04.2, or 45-22-05;

- 1                   (3) A fictitious name registered in the manner provided in chapter 45-11; or
- 2                   (4) A trade name registered in the manner provided in chapter 47-25; or
- 3                   (5) A trademark or service mark registered in the manner provided in chapter
- 4                   47-22.
- 5           2. The secretary of state shall determine whether a limited liability limited partnership
- 6           name is deceptively similar to another name for purposes of this chapter.
- 7           3. If the secretary of state determines a limited liability limited partnership name is
- 8           deceptively similar to another name for purposes of this chapter, the limited liability
- 9           limited partnership name may not be used unless there is filed with the certificate:
- 10          a. The written consent of the holder of the registered trade name or the holder of
- 11           the rights to the name to which the proposed name has been determined to be
- 12           deceptively similar; or
- 13          b. A certified copy of a judgment of a court in this state establishing the earlier right
- 14           of the applicant to the use of the name in this state.
- 15          4. This section does not:
- 16          a. Abrogate or limit:
- 17           (1) The law of unfair competition or unfair practices;
- 18           (2) Chapter 47-25;
- 19           (3) The laws of the United States with respect to the right to acquire and protect
- 20           copyrights, trade names, trademarks, service names, and service marks; or
- 21           (4) Any other rights to the exclusive use of any name or symbol.
- 22          b. This section does not derogate the common law or the principles of equity.
- 23          5. A limited liability limited partnership that is the surviving organization in a merger with
- 24           one or more organizations, or that acquires by sale, lease, or other disposition to or
- 25           exchange with an organization all or substantially all of the assets of another
- 26           organization, including its name, may include in the limited liability limited partnership's
- 27           name, subject to the requirements of subsection 1, the name of any of the other
- 28           organizations, if the other organization whose name is sought to be used:
- 29           a. Is incorporated, organized, formed, or registered under the laws of this state;
- 30           b. Is authorized to transact business or conduct activities in this state;

- 1           c. Holds a reserved name in the manner provided in section 10-19.1-14, 10-32-11,  
2                   10-33-11, 45-10.2-11, 45-13-04.2, or 45-22-05;
- 3           d. Holds a fictitious name registered in the manner provided in chapter 45-11; or
- 4           e. Holds a trade name registered in the manner provided in chapter 47-25; or
- 5           f. Holds a trademark or service mark registered in the manner provided in chapter  
6                   47-22.
- 7       6. The use of a name of a limited liability limited partnership in violation of this section  
8       does not affect or vitiate a limited liability limited partnership's existence. However, a  
9       court in this state may, upon application of the state or of an interested or affected  
10      person, enjoin the limited liability limited partnership from doing business under a  
11      name assumed in violation of this section, although a certificate of limited liability  
12      limited partnership may have been filed with the secretary of state.
- 13      7. A limited liability limited partnership whose period of existence has expired or that is  
14      involuntarily dissolved by the secretary of state pursuant to section 45-10.2-108 may  
15      reacquire the right to use that name by refileing a certificate of limited liability limited  
16      partnership pursuant to section 45-23-04, unless the name has been adopted for use  
17      or reserved by another person, in which case the filing will be rejected unless the filing  
18      is accompanied by a written consent or judgment as provided in subsection 3. A  
19      limited liability limited partnership that cannot reacquire the use of its limited liability  
20      limited partnership name shall adopt a new limited liability limited partnership name  
21      that complies with the provisions of this section:
- 22           a. By refileing the certificate of limited liability limited partnership pursuant to section  
23                   45-23-04;
- 24           b. By amending pursuant to section 45-10.2-24; or
- 25           c. By reinstating pursuant to section 45-10.2-108, unless the name has been  
26                   adopted for use or reserved by another person, in which case the filing will be  
27                   rejected unless the filing is accompanied by a written consent or judgment  
28                   pursuant to subsection 3.
- 29      8. Subject to section 45-23-07, this section applies to any foreign limited liability limited  
30      partnership transacting business in this state, having a certificate of authority to  
31      transact business in this state, or applying for a certificate of authority.

- 1        9. A limited liability limited partnership that files its certificate of limited liability limited
- 2                partnership with an effective date later than the date of filing as provided in
- 3                subsection 1 of section 45-23-05 shall maintain the right to the name until the effective
- 4                date.