

## TITLE XVII. LIMITED LIABILITY COMPANY CODE

### ARTICLE 1. GENERAL PROVISIONS

#### Sec.101. Definitions.

In this Chitimacha Limited Liability Company Code (“Act”):

(A) “**Articles of Organization**” means initial, amended, and restated articles of organization.

(B) “**At-will company**” means a limited liability company other than a term company.

(C) “**Business**” includes every trade, occupation, profession, and other lawful purpose, whether or not carried on for profit.

(D) “**Company**” means a limited liability company organized under this Act.

(E) “**Debtor in bankruptcy**” means a person who is the subject of an order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application or a comparable order under federal, state, or foreign law governing insolvency.

(F) “**Distribution**” means a transfer of money, property, or other benefit from a limited liability company to a member in the member's capacity as a member or to a transferee of the member's distributional interest.

(G) “**Distributional interest**” means all of a member's interest or membership interest in the capital, the profits and the distributions of the limited liability company.

(H) “**Entity**” means a person other than an individual.

(I) “**Limited Liability Company**” means a limited liability company organized under this Act.

(J) “**Manager**” means a person, whether or not a member of a manager-managed company, who is vested with authority under Section 301.

(K) “**Manager-managed company**” means a limited liability company which is so designated in its articles of organization, which is managed by managers.

(L) “**Member-managed company**” means a limited liability company other than a manager-managed company, which is managed by the members.

(M) **“Operating Agreement”** means the agreement under Section 103 concerning the relations among the members, managers, and limited liability company. The term includes amendments to the operating agreement.

(N) **“Person”** means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(P) **“Principal office”** means the office, whether or not in this jurisdiction, where the principal executive office of a domestic or foreign limited liability company is located.

(Q) **“Record”** means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(R) **“Reservation”** means the Sovereign Nation of the Chitimacha Tribe located in the State of Louisiana.

(S) **“Sign”** means to identify a record by means of a signature, mark, or other symbol, with intent to authenticate it.

(T) **“State”** means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(U) **“Term company”** means a limited liability company in which its members have agreed to remain members until the expiration of a term specified in the articles of organization.

(V) **“Transfer”** includes an assignment, conveyance, deed, bill of sale, lease, mortgage, security interest, encumbrance, and gift.

**Sec. 102. Knowledge and Notice.**

(A) A person knows a fact if the person has actual knowledge of it.

(B) A person has notice of a fact if the person:

(1) knows the fact;

(2) has received a notification of the fact; or

(3) has reason to know the fact exists from all of the facts known to the person at the time in question.

(C) A person notifies or gives a notification of a fact to another by taking steps reasonably required to inform the other person in ordinary course, whether or not the other person knows the fact.

(D) A person receives a notification when the notification:

(1) comes to the person's attention; or

(2) is duly delivered at the person's place of business or at any other place held out by the person as a place for receiving communications or at the person's last address in the records of the Company.

(E) An entity knows, has notice, or receives a notification of a fact for purposes of a particular transaction when the individual conducting the transaction for the entity knows, has notice, or receives a notification of the fact, or in any event when the fact would have been brought to the individual's attention had the entity exercised reasonable diligence. An entity exercises reasonable diligence if it maintains reasonable routines for communicating significant information to the individual conducting the transaction for the entity and there is reasonable compliance with the routines. Reasonable diligence does not require an individual acting for the entity to communicate information unless the communication is part of the individual's regular duties or the individual has reason to know of the transaction and that the transaction would be materially affected by the information.

**Sec. 103. Effect of Operating Agreement; Nonwaivable Provisions.**

(A) Except as otherwise provided in subsection (B), all members of a limited liability company may enter into an operating agreement, which need not be in writing, to regulate the affairs of the company and the conduct of its business, and to govern relations among the members, managers, and company. To the extent the operating agreement does not otherwise provide, this Act governs relations among the members, managers, and the company.

(B) The operating agreement shall not:

(1) unreasonably restrict a right to information or access to records under Section 408;



(C) A limited liability company may apply to the Tribal Clerk of Court for authorization to use a name that is not distinguishable upon the records of the Clerk from one or more of the names described in subsection (B). The Clerk shall authorize use of the name applied for if:

(1) the present user, registrant, or owner of a reserved name consents to the use in a record and submits an undertaking in form satisfactory to the Tribal Clerk of Court to change the name to a name that is distinguishable upon the records of the Clerk from the name applied for; or

(2) the applicant delivers to the Tribal Clerk of Court a certified copy of the final judgment of a court of competent jurisdiction establishing the applicant's right to use the name applied for on this Reservation.

(D) A limited liability company may not include the word, "**Chitimacha**" in the name of a limited liability company without the express written approval for such use by the Chitimacha Tribal Council.

(E) A limited liability company may use the name, including a fictitious name, of another domestic company which is used on this Reservation if the other company is organized or authorized to transact business on this Reservation and the company proposing to use the name has:

(1) merged with the other company;

(2) been formed by reorganization with the other company; or

(3) acquired substantially all of the assets, including the name, of the other company.

**Sec.105. Designated Office and Agent for Service of Process.**

(A) A limited liability company authorized to do business on this Reservation shall designate and continuously maintain on this Reservation:

(1) an office, which need not be a place of its business on this Reservation; and

(2) an agent and street address of the agent for service of process on the company.

(B) An agent for service of process must be an individual resident of this Reservation, a domestic corporation or another limited liability company authorized to do business on this Reservation.

**Sec. 106. Change of Designated Office or Agent for Service of Process.**

(A) A limited liability company may change its designated office or agent for service of process by delivering to the Tribal Clerk of Court for filing a statement of change which sets forth:

- (1) the name of the company;
- (2) the street address of its current designated office;
- (3) if the current designated office is to be changed, the street address of the new designated office;
- (4) the name and address of its current agent for service of process; and
- (5) if the current agent for service of process or street address of that agent is to be changed, the new address or the name and street address of the new agent for service of process.

**Sec. 107. Resignation of Agent for Service of Process.**

(A) An agent for service of process of a limited liability company may resign by delivering to the Tribal Clerk of Court for filing a record of the statement of resignation.

(B) After filing a statement of resignation, the Tribal Clerk of Court shall mail a copy to the designated office and another copy to the limited liability company at its principal office.

(C) An agency is terminated on the earlier of:

- (1) the designation by the limited liability company of a new agent for service of process; or
- (2) the 31st day after the statement of resignation is filed in the office of the Tribal Clerk of Court.

**Sec. 108. Service of Process.**

(A) An agent for service of process appointed by a limited liability company is an agent of the company for service of any process, notice, or demand required or permitted by law to be served upon the company.

(B) If a limited liability company fails to appoint or maintain an agent for service of process on this Reservation or the agent for service of process cannot with reasonable diligence be found at the agent's address, the Tribal Clerk of Court shall be the agent of the company upon whom process, notice, or demand may be served.

(C) Service of any process, notice, or demand on the Tribal Clerk of Court may be made by delivering to and leaving with the Tribal Clerk of Court, or clerk having charge of the limited liability company department of the Tribal Clerk of Court office, duplicate copies of the process, notice, or demand. If the process, notice, or demand is served on the Tribal Clerk of Court, the Tribal Clerk of Court shall forward one of the copies by registered or certified mail, return receipt requested, to the company at its designated office. Service is effected under this subsection at the earliest of:

- (1) the date the company receives the process, notice, or demand;
- (2) the date shown on the return receipt, if signed on behalf of the company; or
- (3) five days after its deposit in the mail, if mailed postage prepaid and correctly addressed.

(D) The Tribal Clerk of Court shall keep a record of all processes, notices, and demands served pursuant to this section and record the time of and the action taken regarding the service.

(E) This section does not affect the right to serve process, notice, or demand in any manner otherwise provided by law.

**Sec. 109. Nature of Business and Powers.**

(A) A limited liability company may be organized under this Act for any lawful purpose, subject to any law of this Reservation governing or regulating business.

**(B)** Unless its articles of organization provide otherwise, a limited liability company has the same powers as an individual to do all things necessary or convenient to carry on its business or affairs, including the power to:

- (1)** sue and be sued, and defend in its name;
- (2)** purchase, receive, lease, or otherwise acquire, and own, hold, improve, use, and otherwise deal with immovable (real) or movable (personal) property, or any legal or equitable interest in property of whatever nature or kind, wherever located;
- (3)** sell, convey, mortgage, grant a security interest in, lease, exchange, and otherwise encumber or dispose of all or any part of its property;
- (4)** purchase, receive, subscribe for, or otherwise acquire, own, hold, vote, use, sell, mortgage, lend, grant a security interest in, or otherwise dispose of and deal in and with, shares or other interests in or obligations of any other entity;
- (5)** make contracts and guarantees, incur liabilities, borrow money, issue its notes, bonds, and other obligations, which may be convertible into or include the option to purchase other securities of the limited liability company, and secure any of its obligations by a mortgage on or a security interest in any of its property, franchises, or income;
- (6)** lend money, invest and reinvest its funds, and receive and hold real and personal property as security for repayment;
- (7)** be a promoter, partner, member, associate, or manager of any partnership, joint venture, trust, or other legal entity;
- (8)** conduct its business, locate offices, and exercise the powers granted by this Act within or without this Reservation;
- (9)** elect managers and appoint officers, employees, and agents of the limited liability company, define their duties, fix their compensation, and lend them money and credit;
- (10)** pay pensions and establish pension plans, pension trusts, profit sharing plans, bonus plans, option plans, and benefit or incentive plans for any or all of its current or former members, managers, officers, employees, and agents;



(11) make donations for the public welfare or for charitable, scientific, or educational purposes; and

(12) make payments or donations, or do any other act, not inconsistent with law, that furthers the business of the limited liability company.

## **ARTICLE 2. ORGANIZATION**

### **Sec. 201. Limited Liability Company as Legal Entity.**

A limited liability company is a legal entity distinct from its members.

### **Sec. 202. Organization.**

(A) One or more persons may organize a limited liability company, consisting of one or more members, by delivering articles of organization to the office of the Tribal Clerk of Court for filing.

(B) Unless a delayed effective date is specified, the existence of a limited liability company begins when the articles of organization are filed with the office of the Tribal Clerk of Court. However, if the articles of organization were filed with the office of the Tribal Clerk of Court within five (5) days, exclusive of legal holidays, after execution thereof, the limited liability company shall be duly organized, and its separate existence, shall begin as of the time of such execution.

(C) The acceptance for filing of the articles of organization by the Tribal Clerk of Court is conclusive proof that the organizers satisfied all conditions precedent to the creation of a limited liability company.

### **Sec. 203. Articles of Organization.**

(A) Articles of organization of a limited liability company must set forth:

- (1) the name of the company;
- (2) the street address of the initial designated office;
- (3) the name and street address of the initial agent for service of process;
- (4) the name and street address of each organizer;

- (5) whether the company is to be a term company and, if so, the term specified;
- (6) whether the company is to be manager-managed, and, if so, the name and street address of each initial manager.

(B) Articles of organization of a limited liability company may set forth:

- (1) provisions permitted to be set forth in an operating agreement;
- (2) a provision that persons dealing with the limited liability company may rely upon a certificate of one or more managers or members to establish the membership of any member the authenticity of any records of the company or the authority of any person to act on behalf of the Company, including but not limited, to actions required to be approved by the members under Section 404(C) or;
- (3) other matters not inconsistent with law.

(C) Articles of organization of a limited liability company may not vary the nonwaivable provisions of Section 103(B). As to all other matters, if any provision of an operating agreement is inconsistent with the articles of organization:

- (1) the operating agreement controls as to managers, members, and members' transferees; and
- (2) the articles of organization control as to persons, other than managers, members and their transferees, who reasonably rely on the articles to their detriment.

**Sec. 204. Amendment or Restatement of Articles of Organization.**

(A) Articles of organization of a limited liability company may be amended at any time by delivering articles of amendment to the Tribal Clerk of Court for filing. The articles of amendment must set forth:

- (1) the name of the limited liability company;
- (2) the date of filing of the articles of organization; and
- (3) the amendment to the articles of organization.

(B) A limited liability company may restate its articles of organization at any time. Restated articles of organization must be signed and filed in the same manner as articles of amendment. Restated articles of organization must be designated as such in the heading and state

in the heading or in an introductory paragraph the limited liability company's present name and, if it has been changed, all of its former names and the date of the filing of its initial articles of organization.

**Sec. 205. Signing of Records.**

(A) Except as otherwise provided in this Act, a record to be filed by or on behalf of a limited liability company in the office of the Tribal Clerk of Court must be signed in the name of the company by:

- (1) a manager of a manager-managed company;
- (2) a member of a member-managed company;
- (3) a person organizing the company, if the company has not been formed; or
- (4) a fiduciary, if the company is in the hands of a receiver, trustee, or other court-appointed fiduciary.

(B) A record signed under subsection (A) must state adjacent to the signature the name and capacity of the signer.

**Sec. 206. Filing in Office of Tribal Clerk of Court.**

(A) Articles of organization or any other record authorized to be filed under this Act must be in a medium permitted by the Tribal Clerk of Court and must be delivered to the office of the Tribal Clerk of Court. Unless the Tribal Clerk of Court determines that a record fails to comply as to form with the filing requirements of this Act, and if all filing fees have been paid, the Tribal Clerk of Court shall file the record and send a receipt for the record and the fees to the limited liability company or its representative.

(B) Upon request and payment of a fee, the Tribal Clerk of Court shall send to the requester a certified copy of the requested record.

(C) Except as otherwise provided in subsection (D) and Section 207(C), a record accepted for filing by the Tribal Clerk of Court is effective:

- (1) at the time of filing on the date it is filed, as evidenced by the Tribal Clerk of Court's date and time endorsement on the original record; or

(2) at the time specified in the record as its effective time on the date it is filed.

(D) A record may specify a delayed effective time and date, and if it does so the record becomes effective at the time and date specified. If a delayed effective date but no time is specified, the record is effective at the close of business on that date. If a delayed effective date is later than the 90th day after the record is filed, the record is effective on the 90th day.

**Sec. 207. Correcting Filed Record.**

(A) A limited liability company may correct a record filed by the Tribal Clerk of Court if the record contains a false or erroneous statement or was defectively signed.

(B) A record is corrected:

(1) by preparing articles of correction that:

(a) describe the record, including its filing date, or attach a copy of it to the articles of correction;

(b) specify the incorrect statement and the reason it is incorrect or the manner in which the signing was defective; and

(c) correct the incorrect statement or defective signing; and

(2) by delivering the corrected record to the Tribal Clerk of Court for filing.

(C) Articles of correction are effective retroactively on the effective date of the record they correct except as to persons relying on the uncorrected record and adversely affected by the correction. As to those persons, articles of correction are effective when filed.

**Sec. 208. Certificate of Existence or Authorization.**

(A) A person may request the Tribal Clerk of Court to furnish a certificate of existence for a limited liability company.

(B) A certificate of existence for a limited liability company must set forth:

(1) the company's name;

(2) that it is duly organized under the laws of this State, the date of organization, whether its duration is at-will or for a specified term, and, if the latter, the period specified;

- (3) if payment is reflected in the records of the Tribal Clerk of Court and if nonpayment affects the existence of the company, that all fees, taxes, and penalties owed to this State have been paid;
- (4) whether its most recent annual report required by Section 210 has been filed with the Tribal Clerk of Court;
- (5) that articles of termination have not been filed; and
- (6) other facts of record in the office of the Tribal Clerk of Court which may be requested by the applicant.

(C) Subject to any qualification stated in the certificate, a certificate of existence or authorization issued by the Tribal Clerk of Court may be relied upon as conclusive evidence that the domestic limited liability company is in existence or is authorized to transact business on this Reservation.

**Sec. 209. Liability for False Statement in Filed Record.**

If a record authorized or required to be filed under this Act contains a false statement, one who suffers loss by reliance on the statement may recover damages for the loss from a person who signed the record or caused another to sign it on the person's behalf and knew the statement to be false at the time the record was signed.

**Sec. 210. Annual Report for Tribal Clerk of Court.**

(A) A limited liability company shall deliver to the Tribal Clerk of Court for filing an annual report that sets forth:

- (1) the name of the company;
- (2) the street address of its designated office and the name and address of its agent for service of process on this Reservation;
- (3) the street address of its principal office; and
- (4) the names and street addresses of any managers.

(B) Information in an annual report must be current as of the date the annual report is signed on behalf of the limited liability company.

(C) The first annual report must be delivered to the Tribal Clerk of Court on March 1 of the year following the calendar year in which a limited liability company was organized. Subsequent annual reports must be delivered to the Tribal Clerk of Court on March 1 of the ensuing calendar years.

(D) If an annual report does not contain the information required in subsection (A), the Tribal Clerk of Court shall promptly notify the reporting limited liability company and return the report to it for correction. If the report is corrected to contain the information required in subsection (A) and delivered to the Tribal Clerk of Court within 30 days after the effective date of the notice, it is timely filed.

### **ARTICLE 3. RELATIONS OF MEMBERS AND MANAGERS TO PERSONS DEALING WITH LIMITED LIABILITY COMPANY.**

#### **Sec. 301. Agency of Members and Managers.**

(A) Subject to subsection (C), in a member-managed company:

(1) Each member is an agent of the limited liability company for the purpose of its business, and an act of a member, including the signing of an instrument in the company's name, for apparently carrying on in the ordinary course the company's business or business of the kind carried on by the company binds the company, unless the member had no authority to act for the company in the particular matter and the person with whom the member was dealing knew or had notice that the member lacked authority.

(2) An act of a member which is not apparently for carrying on in the ordinary course the company's business or business of the kind carried on by the company binds the company only if the act was authorized by the other members.

(B) Subject to subsection (C), in a manager-managed company:

(1) A member is not an agent of the company for the purpose of its business solely by reason of being a member. Each manager is an agent of the company for the purpose of its business, and an act of a manager, including the signing of an instrument in the company's name, for apparently carrying on in the ordinary

course the company's business or business of the kind carried on by the company binds the company, unless the manager had no authority to act for the company in the particular matter and the person with whom the manager was dealing knew or had notice that the manager lacked authority.

(2) An act of a manager which is not apparently for carrying on in the ordinary course the company's business or business of the kind carried on by the company binds the company only if the act was authorized under Section 404.

C) Unless the articles of organization limit their authority, any member of a member-managed company or manager of a manager-managed company may sign and deliver any instrument transferring or affecting the company's interest in real property. The instrument is conclusive in favor of a person who gives value without knowledge of the lack of the authority of the person signing and delivering the instrument on behalf of the limited liability company.

**Sec. 302. Limited Liability Company Liable for Member's or Manager's Actionable Conduct.**

(A) A limited liability company is liable for loss or injury caused to a person, or for a penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of a member or manager acting in the ordinary course of business of the company or with authority of the company.

**Sec. 303. Liability of Members and Managers.**

(A) Except as otherwise provided in subsection (C) the debts, obligations, and liabilities of a limited liability company, whether arising in contract, tort, or otherwise, are solely the debts, obligations, and liabilities of the company. A member or manager is not personally liable for a debt, obligation, or liability of the company by reason of being or acting as a member or manager.

(B) The failure of a limited liability company to observe the usual company formalities or requirements relating to the exercise of its company powers or management of its business is not a ground for imposing personal liability on the members or managers for liabilities of the company.

(C) Members of a limited liability company are not liable in their capacity as members for debts, obligations, or liabilities of the company unless a member has specifically agreed in writing to be liable for all or specified debts, obligations or liabilities of the company.

(D) Notwithstanding the provisions of this Section, a member shall be liable for his contribution to the company under Section 402, unless such obligation has been compromised pursuant to Section 404(C)(4).

#### **ARTICLE 4. RELATIONS OF MEMBERS TO EACH OTHER AND TO LIMITED LIABILITY COMPANY**

**Sec. 401. Form of Contribution.**

A contribution of a member of a limited liability company may consist of tangible or intangible property or other benefit to the company, including money, promissory notes, services performed, or other agreements to contribute cash or property, or contracts for services to be performed.

**Sec. 402. Member's Liability for Contributions.**

(A) A member's obligation to contribute money, property, or other benefit to, or to perform services for, a limited liability company is not excused by the member's death, disability, or other inability to perform personally. If a member does not make the required contribution of property or services, the member is obligated to the company to contribute money equal to the value of that portion of the stated contribution which has not been made, except to the extent that such obligation is compromised under Section 404(C)(4).

(B) A creditor of a limited liability company who extends credit or otherwise acts in reliance on an obligation described in subsection (A), and without notice of any compromise under Section 404(C)(4), may enforce the original obligation.



**Sec.403. Member's and Manager's Rights to Payments and Reimbursement.**

(A) A limited liability company shall reimburse a member or manager for payments made and indemnify a member or manager for liabilities incurred by the member or manager in the ordinary course of the business of the company or for the preservation of its business or property.

(B) A limited liability company shall reimburse a member for an advance to the company beyond the amount of contribution the member agreed to make.

(C) A payment or advance made by a member which gives rise to an obligation of a limited liability company under subsection (A) or (B) constitutes a loan to the company upon which interest accrues from the date of the payment or advance at least equal to the applicable federal rate of interest required under the Internal Revenue Code or such other rate of interest set forth in the operating agreement or agreed upon by a majority in interest of the members.

**Sec. 404. Management of Limited Liability Company.**

(A) Except as otherwise provided in the articles of organization or operating agreement, in a member-managed company:

(1) each member has equal rights and an equal vote in the management and conduct of the company's business; and

(2) except as otherwise provided in subsection (C), any matter relating to the business of the company may be decided by a majority of the members.

(B) Except as otherwise provided in the articles or operating agreement, in a manager-managed company:

(1) each manager has equal rights in the management and conduct of the company's business;

(2) except as otherwise provided in subsection (C), any matter relating to the business of the company may be exclusively decided by the manager or, if there is more than one manager, by a majority of the managers; and

(3) a manager:

(a) must be designated, appointed, elected, removed, or replaced by a vote, approval, or consent of a majority of the members; and

(b) holds office until a successor has been elected and qualified, unless the manager sooner resigns or is removed.

(C) Except as otherwise provided in the articles or operating agreement, the only matters of a member-managed company or manager-managed company's business requiring the consent of all of the members or such lower percentage of the members or interests of the members as specified in the articles or the operating agreement are:

(1) the amendment of the operating agreement;

(2) the authorization or ratification of acts or transactions under Section 103(B)(2)(b) which would otherwise violate the duty of loyalty;

(3) an amendment to the articles of organization under Section 204;

(4) the compromise, as among members, of an obligation of a member to make a contribution under Section 402(A) or return money or other property paid or distributed in violation of this Act;

(5) the making of interim distributions under Section 405(A), including the redemption of an interest;

(6) the admission of a new member;

(7) the use of the company's property to redeem an interest subject to a charging order;

(8) the consent to dissolve the company under Section 801(A)(2);

(9) a waiver of the right to have the company's business wound up and the company terminated under Section 802(B); and

(10) the sale, lease, exchange, or other disposal of all, or substantially all, of the company's property with or without goodwill.

(D) Action requiring the consent of members or managers under this Act may be taken by written consent of the members or managers holding the requisite interests for such vote, without the necessity of holding a meeting.

(E) A member or manager may appoint a proxy to vote or otherwise act for the member or manager by signing an appointment instrument, either personally or by the member's or manager's attorney-in-fact.

**Sec. 405. Sharing of and Right to Distributions.**

(A) Except as otherwise provided in the articles of organization or operating agreement, any distributions made by a limited liability company before its dissolution and winding up must be in equal shares, or as provided in the articles of organization or operating agreement.

(B) A member has no right to receive a distribution in kind.

(C) If a member becomes entitled to receive a distribution, the member has the status of, and is entitled to all remedies available to, a creditor of the limited liability company with respect to the distribution.

**Sec. 406. Limitations on Distributions.**

(A) A distribution may not be made if:

(1) the limited liability company would not be able to pay its debts as they become due in the ordinary course of business; or

(2) the company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the company were to be dissolved, wound up, and terminated at the time of the distribution, to satisfy the preferential rights upon dissolution, winding up, and termination of members whose preferential rights are superior to those receiving the distribution.

(B) A limited liability company may base a determination that a distribution is not prohibited under subsection (A) on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances or on a fair valuation or other method that is reasonable in the circumstances.

(C) Except as otherwise provided in subsection (E), the effect of a distribution under subsection (A) is measured:

(1) in the case of distribution by purchase, redemption, or other acquisition of a distributional interest in a limited liability company, as of the date money or other property is transferred or debt incurred by the company; and

(2) in all other cases, as of the date the:

(a) distribution is authorized if the payment occurs within 120 days after the date of authorization; or

(b) payment is made if it occurs more than 120 days after the date of authorization.

(D) A limited liability company's indebtedness to a member incurred by reason of a distribution made in accordance with this section is at parity with the company's indebtedness to its general, unsecured creditors.

(E) Indebtedness of a limited liability company, including indebtedness issued in connection with or as part of a distribution, is not considered a liability for purposes of determinations under subsection (A) if its terms provide that payment of principal and interest are made only if and to the extent that payment of a distribution to members could then be made under this section. If the indebtedness is issued as a distribution, each payment of principal or interest on the indebtedness is treated as a distribution, the effect of which is measured on the date the payment is made.

**Sec. 407. Liability for Unlawful Distributions.**

(A) A member of a member-managed company or a member or manager of a manager-managed company who votes for or assents to a distribution made in violation of Section 406, the articles of organization, or the operating agreement, is personally liable to the company for the amount of the distribution which exceeds the amount that could have been distributed without violating Section 406, the articles of organization, or the operating agreement if it is established that the member or manager did not perform the member's or manager's duties in compliance with Section 409.

(B) A member of a manager-managed company who knew a distribution was made in violation of Section 406, the articles of organization, or the operating agreement is personally

liable to the company, but only to the extent that the distribution received by the member exceeded the amount that could have been properly paid under Section 406.

(C) A member or manager against whom an action is brought under this section may implead in the action all:

- (1) other members or managers who voted for or assented to the distribution in violation of subsection (A) and may compel contribution from them; and
- (2) members who received a distribution in violation of subsection (B) and may compel contribution from the member in the amount received in violation of subsection (B).

(D) A proceeding under this section is barred unless it is commenced within two years after the distribution.

**Sec. 408. Member's Right to Information.**

(A) A limited liability company shall provide members and their agents and attorneys access to its records, if any, at the company's principal office or other reasonable locations specified in the operating agreement. The company shall provide former members and their agents and attorneys access for proper purposes to records pertaining to the period during which they were members. The right of access provides the opportunity to inspect and copy records during ordinary business hours. The company may impose a reasonable charge, limited to the costs of labor and material, for copies of records furnished.

(B) A limited liability company shall furnish to a member, and to the legal representative of a deceased member or member under legal disability:

- (1) without demand, information concerning the company's business or affairs reasonably required for the proper exercise of the member's rights and performance of the member's duties under the operating agreement or this Act; and
- (2) on demand, other information concerning the company's business or affairs, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances.

(C) A member has the right upon written demand given to the limited liability company to obtain at the company's expense a copy of any written operating agreement of the limited liability company.

**Sec. 409. General Standards of Member's and Manager's Conduct.**

(A) The only fiduciary duties a member owes to a member-managed company and its other members are the duty of loyalty and the duty of care imposed by subsections (B) and (C).

(B) A member's duty of loyalty to a member-managed company and its other members is limited to the following:

(1) to account to the company and to hold as trustee for it any property, profit, or benefit derived by the member in the conduct or winding up of the company's business or derived from a use by the member of the company's property, including the appropriation of a company's opportunity;

(2) to refrain from dealing with the company in the conduct or winding up of the company's business as or on behalf of a party having an interest adverse to the company; and

(3) to refrain from competing with the company in the conduct of the company's business before the dissolution of the company, unless the operating agreement provides otherwise.

(C) A member's duty of care to a member-managed company and its other members in the conduct of and winding up of the company's business is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

(D) A member shall discharge the duties to a member-managed company and its other members under this Act or under the operating agreement and exercise any rights consistently with the obligation of good faith and fair dealing.

(E) A member of a member-managed company does not violate a duty or obligation under this Act or under the operating agreement merely because the member's conduct furthers the member's own interest.

(F) A member of a member-managed company may lend money to and transact other business with the company. As to each loan or transaction, the rights and obligations of the member are the same as those of a person who is not a member, subject to other applicable law.

(G) This section applies to a person winding up the limited liability company's business as the personal or legal representative of the last surviving member as if the person were a member.

(H) In a manager-managed company:

(1) a member who is not also a manager owes no duties to the company or to the other members solely by reason of being a member;

(2) a manager is held to the same standards of conduct prescribed for members in subsections (B) through (F);

(3) a member who pursuant to the operating agreement exercises some or all of the rights of a manager in the management and conduct of the company's business is held to the standards of conduct in subsections (B) through (F) to the extent that the member exercises the managerial authority vested in a manager by this Act; and

(4) a manager is relieved of liability imposed by law for violation of the standards prescribed by subsections (B) through (F) to the extent of the managerial authority delegated to the members by the operating agreement.

**Sec. 410.                    Actions by Members.**

(A) A member may maintain an action against a limited liability company or another member for legal or equitable relief, with or without an accounting as to the company's business, to enforce:

(1) the member's rights under the operating agreement;

(2) the member's rights under this Act; and

(3) the rights and otherwise protect the interests of the member, including rights and interests arising independently of the member's relationship to the company.

(B) The accrual, and any time limited for the assertion, of a right of action for a remedy under this section is governed by other law. A right to an accounting upon a dissolution and winding up does not revive a claim barred by law.

**Sec. 411. Continuation of Term Company After Expiration of Specified Term.**

(A) If a term company is continued after the expiration of the specified term, the rights and duties of the members and managers remain the same as they were at the expiration of the term except to the extent inconsistent with rights and duties of members and managers of an at-will company.

(B) If the members in a member-managed company or the managers in a manager-managed company continue the business without any winding up of the business of the company, it continues as an at-will company.

**ARTICLE 5. TRANSFEREES AND CREDITORS OF MEMBER**

**Sec. 501. Member's Distributional Interest.**

(A) A member is not a co-owner of, and has no transferable interest in, property of a limited liability company.

(B) A distributional interest in a limited liability company is personal property and, subject to Sections 502 and 503, may be transferred in whole or in part, unless otherwise provided in the articles of organization or the operating agreement of the limited liability company.

(C) An operating agreement may provide that a distributional interest may be evidenced by a certificate of interest issued by the limited liability company and, subject to Section 503, may also provide for the transfer of any interest represented by the certificate.

**Sec. 502. Transfer of Distributional Interest.**

A transfer of a distributional interest does not entitle the transferee to become or to exercise any rights of a member. A transfer entitles the transferee to receive, to the extent transferred, only the distributions to which the transferor would be entitled.



**Sec. 503.**

**Rights of Transferee.**

(A) A transferee of a distributional interest may become a member of a limited liability company in accordance with procedures described in the operating agreement or with the consent of all other members.

(B) A transferee who has become a member, to the extent transferred, has the rights and powers, and is subject to the restrictions and liabilities, of a member under the operating agreement of a limited liability company and this Act. A transferee who becomes a member also is not liable for the transferor member's obligations to make contributions under Section 402 or for obligations under Section 407 to return unlawful distributions.

(C) Whether or not a transferee of a distributional interest becomes a member under subsection (A), the transferor is not released from liability to the limited liability company under the operating agreement or this Act.

(D) A transferee who does not become a member is not entitled to participate in the management or conduct of the limited liability company's business, require access to information concerning the company's transactions, or inspect or copy any of the company's records.

(E) A transferee who does not become a member is entitled to:

(1) receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled;

(2) receive, upon dissolution and winding up of the limited liability company's business:

(a) in accordance with the transfer, the net amount otherwise distributable to the transferor;

(b) a statement of account only from the date of the latest statement of account agreed to by all the members;

(3) seek under Section 801(A)(5) a judicial determination that it is equitable to dissolve and wind up the company's business.

(F) A limited liability company need not give effect to a transfer until it has notice of the transfer.

**Sec. 504.**

**Rights of Creditor.**

(A) On application by a judgment creditor of a member of a limited liability company or of a member's transferee, a court having jurisdiction may charge the distributional interest of the judgment debtor to satisfy the judgment. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances may require to give effect to the charging order.

(B) A charging order constitutes a lien on the judgment debtor's distributional interest. The court may order a foreclosure of a lien on a distributional interest subject to the charging order at any time. A purchaser at the foreclosure sale has the rights of a transferee.

(C) At any time before foreclosure, a distributional interest in a limited liability company which is charged may be redeemed:

(1) by the judgment debtor;

(2) with property other than the company's property, by one or more of the other members; or

(3) with the company's property, but only if permitted by the operating agreement.

(D) This Act does not affect a member's right under exemption laws with respect to the member's distributional interest in a limited liability company.

(E) This section provides the exclusive remedy by which a judgment creditor of a member or a transferee may satisfy a judgment out of the judgment debtor's distributional interest in a limited liability company.

**ARTICLE 6. MEMBER'S DISSOCIATION**

**Sec. 601.**

**Events Causing Member's Dissociation.**

A member is dissociated from a limited liability company upon the occurrence of any of the following events:

(1) if permitted by the operating agreement or if the limited liability company is an at-will company, a member may withdraw upon written notice to the limited

liability company at the date of the notice or on such later date specified in the notice;

(2) an event agreed to in the operating agreement as causing the member's dissociation;

(3) upon transfer of all of a member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest which has not been foreclosed;

(4) the member's expulsion pursuant to the operating agreement;

(5) the member's expulsion by unanimous vote of the other members if:

(a) it is unlawful to carry on the company's business with the member;

(b) there has been a transfer of substantially all of the member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest which has not been foreclosed;

(c) within 90 days after the company notifies a corporate member that it will be expelled because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, the member fails to obtain a revocation of the certificate of dissolution or a reinstatement of its charter or its right to conduct business; or

(d) a partnership or a limited liability company that is a member has been dissolved and its business is being wound up;

(6) on application by the company or another member, the member's expulsion by judicial determination because the member:

(a) engaged in wrongful conduct that adversely and materially affected the company's business;

(b) willfully or persistently committed a material breach of the operating agreement or of a duty owed to the company or the other members under Section 409; or

(c) engaged in conduct relating to the company's business which makes it not reasonably practicable to carry on the business with the member;

(7) the member's:

(a) becoming a debtor in bankruptcy;

(b) executing an assignment for the benefit of creditors;

(c) seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property; or

(d) failing, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property obtained without the member's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated;

(8) in the case of a member who is an individual:

(a) the member's death;

(b) the appointment of a guardian or general conservator for the member; or

(c) a judicial determination that the member has otherwise become incapable of performing the member's duties under the operating agreement;

(9) in the case of a member that is a trust or is acting as a member by virtue of being a trustee of a trust, distribution of the trust's entire rights to receive distributions from the company, but not merely by reason of the substitution of a successor trustee;

(10) in the case of a member that is an estate or is acting as a member by virtue of being a personal representative of an estate, distribution of the estate's entire rights to receive distributions from the company, but not merely the substitution of a successor personal representative; or

(11) termination of the existence of a member if the member is not an individual, estate, or trust (other than a business trust).

**Sec. 602.**

**Member's Power to Dissociate; Wrongful Dissociation.**

(A) If provided in the operating agreement or if the company is an at-will company, a member has the power to dissociate from a limited liability company by written notice pursuant to Section 601(1).

(B) The member's dissociation from a limited liability company is wrongful only if:

(1) not authorized by an express provision of the operating agreement; or

(2) before the expiration of the specified term of a term company:

(a) the member attempts to withdraw prior to the expiration of the term;

(b) the member is expelled by judicial determination under Section 601(6);

(c) the member is dissociated by becoming a debtor in bankruptcy; or

(d) in the case of a member who is not an individual, trust (other than a business trust), or estate, the member is expelled or otherwise dissociated because it willfully dissolved or terminated its existence.

(C) A member who wrongfully dissociates from a limited liability company is liable to the company and to the other members for damages caused by the dissociation. The liability is in addition to any other obligation of the member to the company or to the other members.

(D) If a limited liability company does not dissolve and wind up its business as a result of a member's wrongful dissociation under subsection (B), damages sustained by the company for the wrongful dissociation must be offset against distributions otherwise due the member after the dissociation.

**Sec. 603.**

**Effect of Member's Dissociation.**

(A) Upon a member's dissociation:

(1) in an at-will company, the company must cause the dissociated member's distributional interest to be purchased under Article 7; and

(2) in a term company:

(a) if the company dissolves and winds up its business on or before the expiration of its specified term, Article 8 applies to determine the dissociated member's rights to distributions; and

(b) if the company does not dissolve and wind up its business on or before the expiration of its specified term, the company must either permit the dissociated member or his transferee to remain as a member or cause the dissociated member's distributional interest to be purchased under Article 7 on the date of the expiration of the term specified at the time of the member's dissociation.

(B) Upon a member's dissociation from a limited liability company:

(1) the member's right to participate in the management and conduct of the company's business terminates, except as otherwise provided in Section 803, and the member ceases to be a member and is treated the same as a transferee of a member;

(2) the member's duty of loyalty under Section 409(B) terminates; and

(3) the member's duty of loyalty under Section 409(B)(1) and (2) and the member's duty of care under Section 409(C) continue only with regard to matters arising and events occurring before the member's dissociation, unless the member participates in winding up the company's business pursuant to Section 803.

## **ARTICLE 7. MEMBER'S DISSOCIATION WHEN BUSINESS NOT WOUND UP**

### **Sec. 701. Company Purchase of Distributional Interest.**

(A) A limited liability company shall purchase a distributional interest of:

(1) a member of an at-will company for its fair value determined as of the date of the member's dissociation if the member's dissociation does not result in a dissolution and winding up of the company's business under Section 801; or

(2) a member of a term company for its fair value determined as of the date of the expiration of the specified term that existed on the date of the member's dissociation if the expiration of the specified term does not result in a dissolution and winding up of the company's business under Section 801.

(B) A limited liability company must deliver a purchase offer to the dissociated member whose distributional interest is entitled to be purchased not later than 30 days after the date determined under subsection (A). The purchase offer must be accompanied by:

- (1) a statement of the company's assets and liabilities as of the date determined under subsection (A);
- (2) the latest available balance sheet and income statement, if any; and
- (3) an explanation of how the estimated amount of the payment was calculated.

(C) If the price and other terms of a purchase of a distributional interest are fixed or are to be determined by the operating agreement, the price and terms so fixed or determined govern the purchase unless the purchaser defaults. If a default occurs, the dissociated member is entitled to commence a proceeding to have the company dissolved under Section 801(A)(4)(d).

(D) If an agreement to purchase the distributional interest is not executed within 120 days after the date determined under subsection (A), the dissociated member, within another 120 days, may commence a proceeding against the limited liability company to enforce the purchase. The company at its expense shall notify in writing all of the remaining members, and any other person the court directs, of the commencement of the proceeding. The jurisdiction of the court in which the proceeding is commenced under this subsection is plenary and exclusive.

(E) The court shall determine the fair value of the distributional interest in accordance with the standards set forth in Section 702 together with the terms for the purchase. Upon making these determinations, the court shall order the limited liability company to purchase or cause the purchase of the distributional interest.

(F) Damages for wrongful dissociation under Section 602(B), and all other amounts owing, whether or not currently due, from the dissociated member to a limited liability company, must be offset against the purchase price.

**Sec.702. Court Action to Determine Fair Value of Distributional Interest.**

(A) In an action brought to determine the fair value of a distributional interest in a limited liability company, the court shall:

- (1) determine the fair value of the distributional interest, considering among other relevant evidence the going concern value of the company, any agreement among some or all of the members fixing the price or specifying a formula for determining value of distributional interests for any other purpose, the recommendations of any appraiser appointed by the court, and any legal constraints on the company's ability to purchase the distributional interest;
- (2) specify the terms of the purchase, including, if appropriate, terms for installment payments, subordination of the purchase obligation to the rights of the company's other creditors, security for a deferred purchase price, and a covenant not to compete or other restriction on a dissociated member; and
- (3) require the dissociated member to deliver an assignment of the distributional interest to the purchaser upon receipt of the purchase price or the first installment of the purchase price.

(B) After the dissociated member delivers the assignment, the dissociated member has no further claim against the company, its members, officers, or managers, if any, other than a claim to any unpaid balance of the purchase price and a claim under any agreement with the company or the remaining members that is not terminated by the court.

(C) If the purchase is not completed in accordance with the specified terms, the company is to be dissolved upon application under Section 801(A)(4)(d). If a limited liability company is so dissolved, the dissociated member has the same rights and priorities in the company's assets as if the sale had not been ordered.

(D) If the court finds that a party to the proceeding acted arbitrarily, vexatiously, or not in good faith, it may award one or more other parties their reasonable expenses, including attorney's fees and the expenses of appraisers or other experts, incurred in the proceeding. The finding may be based on the company's failure to make an offer to pay or to comply with Section 701(B).

(E) Interest must be paid on the amount awarded from the date determined under Section 701(A) to the date of payment.



**Sec.703. Dissociated Member's Power to Bind Limited Liability Company.**

(A) A dissociated member, after the time of dissociation, shall not have the authority to bind the Company under Section 301.

**ARTICLE 8. WINDING UP COMPANY'S BUSINESS**

**Sec. 801. Events Causing Dissolution and Winding Up of Company's Business.**

(A) A limited liability company is dissolved, and its business must be wound up, upon the occurrence of any of the following events:

- (1) an event specified in the operating agreement;
- (2) consent of the number or percentage of members specified in the operating agreement;
- (3) an event that makes it unlawful for all or substantially all of the business of the company to be continued, but any cure of illegality within 90 days after notice to the company of the event is effective retroactively to the date of the event for purposes of this section;
- (4) on application by a member or a dissociated member, upon entry of a judicial decree that:
  - (a) the economic purpose of the company is likely to be unreasonably frustrated;
  - (b) another member has engaged in conduct relating to the company's business that makes it not reasonably practicable to carry on the company's business with that member;
  - (c) it is not otherwise reasonably practicable to carry on the company's business in conformity with the articles of organization and the operating agreement;
  - (d) the company failed to purchase the petitioner's distributional interest as required by Section 701; or

- (e) the managers or members in control of the company have acted, are acting, or will act in a manner that is illegal, oppressive, fraudulent, or unfairly prejudicial to the petitioner; or
- (5) on application by a transferee of a member's distributional interest, a judicial determination that it is equitable to wind up the company's business:
  - (a) after the expiration of the specified term, if the company was for a specified term at the time the applicant became a transferee by member dissociation, transfer, or entry of a charging order that gave rise to the transfer; or
  - (b) at any time, if the company was at will at the time the applicant became a transferee by member dissociation, transfer, or entry of a charging order that gave rise to the transfer.
- (6) the expiration of the term specified in the articles of organization.

**Sec. 802. Limited Liability Company Continues After Dissolution.**

(A) Subject to subsection (B), a limited liability company continues after dissolution only for the purpose of winding up its business.

(B) At any time after the dissolution of a limited liability company and before the winding up of its business is completed, the members, including a dissociated member whose dissociation caused the dissolution, may unanimously waive the right to have the company's business wound up and the company terminated. In that case:

- (1) the limited liability company resumes carrying on its business as if dissolution had never occurred and any liability incurred by the company or a member after the dissolution and before the waiver is determined as if the dissolution had never occurred; and
- (2) the rights of a third party dealing with the company after dissolution or arising out of conduct in reliance on the dissolution before the third party knew or received a notification of the waiver are not adversely affected.

**Sec. 803. Right to Wind Up Limited Liability Company's Business.**

(A) After dissolution, a member who has not wrongfully dissociated may participate in winding up a limited liability company's business, but on application of any member, member's legal representative, or transferee, the Chitimacha Tribal Court, for good cause shown, may order judicial supervision of the winding up of the limited liability company's business.

(B) A legal representative of the last surviving member may wind up a limited liability company's business.

(C) A person winding up a limited liability company's business may preserve the company's business or property as a going concern for a reasonable time, prosecute and defend actions and proceedings, whether civil, criminal, or administrative, settle and close the company's business, dispose of and transfer the company's property, discharge the company's liabilities, distribute the assets of the company pursuant to Section 805, settle disputes by mediation or arbitration, and perform other necessary acts.

**Sec. 804. Articles of Termination.**

(A) At any time after dissolution and winding up, a limited liability company may terminate its existence by filing with the Tribal Clerk of Court articles of termination stating:

- (1) the name of the company;
- (2) the date of the dissolution; and
- (3) that the company's business has been wound up and the legal existence of the company has been terminated.

(B) The existence of a limited liability company is terminated upon the filing of the articles of termination, or upon a later effective date, if specified in the articles of termination.

**Sec.805. Distribution of Assets in Winding Up Limited Liability Company's Business.**

(A) In winding up a limited liability company's business, the assets of the company must be applied to discharge its obligations to creditors, including members who are creditors. Any

surplus must be applied to pay in money the net amount distributable to members in accordance with their right to distributions under subsection (B).

(B) Each member is entitled to a distribution upon the winding up of the limited liability company's business consisting of a return of all contributions which have not previously been returned and a distribution of any remainder in equal shares.

**Sec.806. Grounds for Administrative Dissolution.**

The Tribal Clerk of Court may commence a proceeding to dissolve a limited liability company administratively if the company does not:

(A) pay any fees, taxes, or penalties imposed by this Act or other law within 60 days after they are due; or

(B) deliver its annual report to the Tribal Clerk of Court within 120 days after it is due.

**Sec.807. Procedure for and Effect of Administrative Dissolution.**

(A) If the Tribal Clerk of Court determines that a ground exists for administratively dissolving a limited liability company, the Tribal Clerk of Court shall enter a record of the determination and serve the company with a copy of the record.

(B) If the company does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the Tribal Clerk of Court that each ground determined by the Tribal Clerk of Court does not exist within 60 days after service of the notice, the Tribal Clerk of Court shall administratively dissolve the company by signing a certification of dissolution that recites the ground for dissolution and its effective date. The Tribal Clerk of Court shall file the original of the certificate and serve the company with a copy of the certificate.

(C) A company administratively dissolved continues its existence but may carry on only the business necessary to wind up and liquidate its business and affairs under Section 802 and to notify, negotiate and pay the claimants of the Company.

(D) The administrative dissolution of a company does not terminate the authority of its agent for service of process.

**Sec. 808. Reinstatement Following Administrative Dissolution.**

(A) A limited liability company administratively dissolved may apply to the Tribal Clerk of Court for reinstatement within two years after the effective date of dissolution. The application must:

- (1) recite the name of the company and the effective date of its administrative dissolution;
- (2) state that the ground for dissolution either did not exist or has been eliminated;
- (3) state that the company's name satisfies the requirements of Section 105; and
- (4) contain a certificate from the Tribal taxing authority reciting that all taxes owed by the company have been paid.

(B) If the Tribal Clerk of Court determines that the application contains the information required by subsection (A) and that the information is correct, the Tribal Clerk of Court shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites this determination and the effective date of reinstatement, file the original of the certificate, and serve the company with a copy of the certificate.

(C) When reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution and the company may resume its business as if the administrative dissolution had never occurred.

**ARTICLE 9. MISCELLANEOUS PROVISIONS**

**Sec. 901. Chitimacha Tribe as Member.**

In the event that the Chitimacha Tribe becomes a member of a limited liability company organized pursuant to this Act, the Chitimacha Tribe shall have an ownership interest of at least fifty-one (51%) percent of the distributional interests in the Company.

**Sec. 902. Jurisdiction.**

The exclusive court of competent jurisdiction for any causes of action arising under this Act shall be the Tribal Court of the Chitimacha Tribe.

**Sec. 903.**

**Short Title.**

This Act shall be known, and reference may be made thereto, as the **“Chitimacha Limited Liability Company Code”**.

(Added by Ordinance #01-04; Adopted: July 1, 2004; Effective: July 1, 2004)