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SENATE BILL 6168

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State of Washington                      54th Legislature                      1996 Regular Session

By Senators Smith, Johnson, Newhouse and Winsley

Read first time 01/08/96. Referred to Committee on Law & Justice.

1            AN ACT Relating to limited liability companies; amending RCW  
2 1.16.080, 19.80.005, 19.80.010, 25.15.010, 25.15.020, 25.15.045,  
3 25.15.150, 25.15.270, and 25.15.325; adding new sections to chapter  
4 25.15 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 1.16.080 and 1891 c 23 s 1, part are each amended to  
7 read as follows:

8            (1) The term "person" may be construed to include the United  
9 States, this state, or any state or territory, or any public or private  
10 corporation or limited liability company, as well as an individual.

11            (2) Unless the context clearly indicates otherwise, the terms  
12 "association," "unincorporated association," and "person, firm, or  
13 corporation" or substantially identical terms shall, without limiting  
14 the application of any term to any other type of legal entity, be  
15 construed to include a limited liability company.

16            **Sec. 2.** RCW 19.80.005 and 1984 c 130 s 2 are each amended to read  
17 as follows:

1 Unless the context clearly requires otherwise, the definitions in  
2 this section apply throughout this chapter:

3 (1) "Trade name" means a word or name, or any combination of a word  
4 or name, used by a person to identify the person's business which:

5 (a) Is not, or does not include, the true and real name of all  
6 persons conducting the business; or

7 (b) Includes words which suggest additional parties of interest  
8 such as "company," "and sons," or "and associates."

9 (2) "Business" means an occupation, profession, or employment  
10 engaged in for the purpose of seeking a profit.

11 (3) "Executed" by a person means that a document signed by such  
12 person is signed by that person under penalties of perjury and in an  
13 official and authorized capacity on behalf of the person submitting the  
14 document to the department of licensing.

15 (4) "Person" means any individual, partnership, limited liability  
16 company, or corporation conducting or having an interest in a business  
17 in the state.

18 (5) "True and real name" means:

19 (a) The surname of an individual coupled with one or more of the  
20 individual's other names, one or more of the individual's initials, or  
21 any combination;

22 (b) The designation or appellation by which an individual is best  
23 known and called in the business community where that individual  
24 transacts business, if this is used as that individual's legal  
25 signature;

26 (c) The registered corporate name of a domestic corporation as  
27 filed with the secretary of state;

28 (d) The registered corporate name of a foreign corporation  
29 authorized to do business within the state of Washington as filed with  
30 the secretary of state;

31 (e) The registered partnership name of a domestic limited  
32 partnership as filed with the secretary of state;

33 (f) The registered partnership name of a foreign limited  
34 partnership as filed with the secretary of state; or

35 (g) The name of a general partnership which includes in its name  
36 the true and real names, as defined in (a) through (f) of this  
37 subsection, of each general partner as required in RCW 19.80.010.

1       **Sec. 3.** RCW 19.80.010 and 1984 c 130 s 3 are each amended to read  
2 as follows:

3       Each person or persons who shall carry on, conduct, or transact  
4 business in this state under any trade name shall register that trade  
5 name with the department of licensing as set forth in this section:

6       (1) Sole proprietorship or general partnership: The registration  
7 shall set forth the true and real name or names of each person  
8 conducting the same, together with the post office address or addresses  
9 of each such person and the name of the general partnership, if  
10 applicable.

11       (2) Foreign or domestic limited partnership: The registration  
12 shall set forth the limited partnership name as filed with the office  
13 of the secretary of state.

14       (3) Foreign or domestic limited liability company: The  
15 registration shall set forth the limited liability company name as  
16 filed with the office of the secretary of state.

17       (4) Foreign or domestic corporation: The registration shall set  
18 forth the corporate name as filed with the office of the secretary of  
19 state.

20       (~~(4)~~) (5) The registration shall be executed by:

21       (a) The sole proprietor of a sole proprietorship;

22       (b) A general partner of a domestic or foreign general or limited  
23 partnership; or

24       (c) An officer of a domestic or foreign corporation.

25       **Sec. 4.** RCW 25.15.010 and 1994 c 211 s 102 are each amended to  
26 read as follows:

27       (1) The name of each limited liability company as set forth in its  
28 certificate of formation:

29       (a) Must contain (~~either~~) the words "Limited Liability Company,"  
30 the words "Limited Liability" and abbreviation "Co.," or the  
31 abbreviation "L.L.C." or "LLC";

32       (b) Except as provided in subsection (1)(d) of this section, may  
33 contain the name of a member or manager;

34       (c) Must not contain language stating or implying that the limited  
35 liability company is organized for a purpose other than those permitted  
36 by RCW 25.15.030;

37       (d) Must not contain any of the words or phrases: "Bank,"  
38 "banking," "banker," "trust," "cooperative," "partnership,"

1 "corporation," "incorporated," or the abbreviations "corp.," "ltd.," or  
2 "inc.," or "L.P.," or any combination of the words "industrial" and  
3 "loan," or any combination of any two or more of the words "building,"  
4 "savings," "loan," "home," "association," and "society," or any other  
5 words or phrases prohibited by any statute of this state; and

6 (e) Must be distinguishable upon the records of the secretary of  
7 state from the names described in RCW 23B.04.010(1)(d), and the names  
8 of any limited liability company reserved, registered, or formed under  
9 the laws of this state or qualified to do business as a foreign limited  
10 liability company in this state.

11 (2) A limited liability company may apply to the secretary of state  
12 for authorization to use any name which is not distinguishable upon the  
13 records of the secretary of state from one or more of the names  
14 described in subsection (1)(e) of this section. The secretary of state  
15 shall authorize use of the name applied for if the other corporation,  
16 limited partnership, or limited liability company consents in writing  
17 to the use and files with the secretary of state documents necessary to  
18 change its name or the name reserved or registered to a name that is  
19 distinguishable upon the records of the secretary of state from the  
20 name of the applying limited liability company.

21 (3) A name shall not be considered distinguishable upon the records  
22 of the secretary of state by virtue of:

23 (a) A variation in the designation, under subsection (1)(a) of this  
24 section, used for the same name;

25 (b) The addition or deletion of an article or conjunction such as  
26 "the" or "and" from the same name;

27 (c) Punctuation, capitalization, or special characters or symbols  
28 in the same name; or

29 (d) Use of abbreviation or the plural form of a word in the same  
30 name.

31 (4) This chapter does not control the use of assumed business names  
32 or "trade names."

33 **Sec. 5.** RCW 25.15.020 and 1994 c 211 s 104 are each amended to  
34 read as follows:

35 (1) Each limited liability company shall continuously maintain in  
36 this state:

37 (a) A registered office, which may but need not be a place of its  
38 business in this state. The registered office shall be at a specific

1 geographic location in this state, and be identified by number, if any,  
2 and street, or building address or rural route, or, if a commonly known  
3 street or rural route address does not exist, by legal description. A  
4 registered office may not be identified by post office box number or  
5 other nongeographic address. For purposes of communicating by mail,  
6 the secretary of state may permit the use of a post office address in  
7 the same city as the registered office in conjunction with the  
8 registered office address if the limited liability company also  
9 maintains on file the specific geographic address of the registered  
10 office where personal service of process may be made;

11 (b) A registered agent for service of process on the limited  
12 liability company, which agent may be either an individual resident of  
13 this state whose business office is identical with the limited  
14 liability company's registered office, or a domestic corporation,  
15 limited partnership, or limited liability company, or a foreign  
16 corporation, limited partnership, or limited liability company  
17 authorized to do business in this state having a business office  
18 identical with such registered office; and

19 (c) A registered agent who shall not be appointed without having  
20 given prior written consent to the appointment. The written consent  
21 shall be filed with the secretary of state in such form as the  
22 secretary may prescribe. The written consent shall be filed with or as  
23 a part of the document first appointing a registered agent.

24 (2) (~~A registered agent may change the address of the registered  
25 office of the limited liability company or companies for which such  
26 registered agent is registered agent to another address in this state  
27 by filing with the secretary of state a certificate, executed by such  
28 registered agent, setting forth the names of all the limited liability  
29 companies represented by such registered agent, and the address at  
30 which such registered agent has maintained the registered office for  
31 each of such limited liability companies, and further certifying to the  
32 new address to which each such registered office will be changed on a  
33 given day, and at which new address such registered agent will  
34 thereafter maintain the registered office for each of the limited  
35 liability companies recited in the certificate. Upon the filing of  
36 such certificate, the secretary of state shall furnish to the  
37 registered agent a certified copy of the same, and thereafter, or until  
38 further change of address, as authorized by law, the registered office  
39 in this state of each of the limited liability companies recited in the~~

1 certificate shall be located at the new address of the registered agent  
2 thereof as given in the certificate. In the event of a change of name  
3 of any person acting as a registered agent of a limited liability  
4 company, such registered agent shall file with the secretary of state  
5 a certificate, executed by such registered agent, setting forth the new  
6 name of such registered agent, the name of such registered agent before  
7 it was changed, the names of all the limited liability companies  
8 represented by such registered agent, and the address at which such  
9 registered agent has maintained the registered office for each of such  
10 limited liability companies. Upon the filing of such certificate, the  
11 secretary of state shall furnish to the registered agent a certified  
12 copy of the certificate. Filing a certificate under this section shall  
13 be deemed to be an amendment of the certificate of formation of each  
14 limited liability company affected thereby and each such limited  
15 liability company shall not be required to take any further action with  
16 respect thereto, to amend its certificate of formation under RCW  
17 25.15.075. Any registered agent filing a certificate under this  
18 section shall promptly, upon such filing, deliver a copy of any such  
19 certificate to each limited liability company affected thereby.

20 (3) The registered agent of one or more limited liability companies  
21 may resign and appoint a successor registered agent by filing a  
22 certificate with the secretary of state, stating that it resigns and  
23 the name and address of the successor registered agent. There shall be  
24 attached to such certificate a statement executed by each affected  
25 limited liability company ratifying and approving such change of  
26 registered agent. Upon such filing, the successor registered agent  
27 shall become the registered agent of such limited liability companies  
28 as have ratified and approved such substitution and the successor  
29 registered agent's address, as stated in such certificate, shall become  
30 the address of each such limited liability company's registered office  
31 in this state. The secretary of state shall furnish to the successor  
32 registered agent a certified copy of the certificate of resignation.  
33 Filing of such certificate of resignation shall be deemed to be an  
34 amendment of the certificate of formation of each limited liability  
35 company affected thereby and each such limited liability company shall  
36 not be required to take any further action with respect thereto, to  
37 amend its certificate of formation under RCW 25.15.075.

38 (4) The registered agent of a limited liability company may resign  
39 without appointing a successor registered agent by filing a certificate

1 with the secretary of state stating that it resigns as registered agent  
2 for the limited liability company identified in the certificate, but  
3 such resignation shall not become effective until one hundred twenty  
4 days after the certificate is filed. There shall be attached to such  
5 certificate an affidavit of such registered agent, that at least thirty  
6 days prior to and on or about the date of the filing of said  
7 certificate, notices were sent by certified or registered mail to the  
8 limited liability company for which such registered agent is resigning  
9 as registered agent, at the principal office thereof within or outside  
10 this state, if known to such registered agent or, if not, to the last  
11 known address of the attorney or other individual at whose request such  
12 registered agent was appointed for such limited liability company, of  
13 the resignation of such registered agent. After receipt of the notice  
14 of the resignation of its registered agent, the limited liability  
15 company for which such registered agent was acting shall obtain and  
16 designate a new registered agent, to take the place of the registered  
17 agent so resigning)) A limited liability company may change its  
18 registered office or registered agent by delivering to the secretary of  
19 state for filing a statement of change that sets forth:

20 (a) The name of the limited liability company;

21 (b) If the current registered office is to be changed, the street  
22 address of the new registered office in accord with subsection (1) of  
23 this section;

24 (c) If the current registered agent is to be changed, the name of  
25 the new registered agent and the new agent's written consent, either on  
26 the statement or attached to it, to the appointment; and

27 (d) That after the change or changes are made, the street addresses  
28 of its registered office and the business office of its registered  
29 agent will be identical.

30 (3) If a registered agent changes the street address of the agent's  
31 business office, the registered agent may change the street address of  
32 the registered office of any limited liability company for which the  
33 agent is the registered agent by notifying the limited liability  
34 company in writing of the change and signing, either manually or in  
35 facsimile, and delivering to the secretary of state for filing a  
36 statement that complies with the requirements of subsection (2) of this  
37 section and recites that the limited liability company has been  
38 notified of the change.

1       (4) A registered agent may resign as agent by signing and  
2 delivering to the secretary of state for filing a statement that the  
3 registered office is also discontinued. After filing the statement the  
4 secretary of state shall mail a copy of the statement to the limited  
5 liability company at its principal office. The agency appointment is  
6 terminated, and the registered office discontinued if so provided, on  
7 the thirty-first day after the date on which the statement was filed.

8       **Sec. 6.** RCW 25.15.045 and 1995 c 337 s 14 are each amended to read  
9 as follows:

10       (1) A person or group of persons licensed or otherwise legally  
11 authorized to render professional services within this state may  
12 organize and become a member or members of a professional limited  
13 liability company under the provisions of this chapter for the purposes  
14 of rendering professional service. A "professional limited liability  
15 company" is subject to all the provisions of chapter 18.100 RCW that  
16 apply to a professional corporation, and its managers, members, agents,  
17 and employees shall be subject to all the provisions of chapter 18.100  
18 RCW that apply to the directors, officers, shareholders, agents, or  
19 employees of a professional corporation, except as provided otherwise  
20 in this section. Nothing in this section prohibits a person duly  
21 licensed or otherwise legally authorized to render professional  
22 services in any jurisdiction other than this state from becoming a  
23 member of a professional limited liability company organized for the  
24 purpose of rendering the same professional services. Nothing in this  
25 section prohibits a professional limited liability company from  
26 rendering professional services outside this state through individuals  
27 who are not duly licensed or otherwise legally authorized to render  
28 such professional services within this state. Notwithstanding RCW  
29 18.100.065, persons engaged in a profession and otherwise meeting the  
30 requirements of this chapter may operate under this chapter as a  
31 professional limited liability company so long as each member  
32 personally engaged in the practice of the profession in this state is  
33 duly licensed or otherwise legally authorized to practice the  
34 profession in this state and:

35       (a) At least one manager of the company is duly licensed or  
36 otherwise legally authorized to practice the profession in this state;  
37 or



1 (b) Each member in charge of an office of the company in this state  
2 is duly licensed or otherwise legally authorized to practice the  
3 profession in this state.

4 (2) If the company's members are required to be licensed to  
5 practice such profession, and the company fails to maintain for itself  
6 and for its members practicing in this state a policy of professional  
7 liability insurance, bond, or other evidence of financial  
8 responsibility of a kind designated by rule by the state insurance  
9 commissioner and in the amount of at least one million dollars or such  
10 greater amount as the state insurance commissioner may establish by  
11 rule for a licensed profession or for any specialty within a  
12 profession, taking into account the nature and size of the business,  
13 then the company's members shall be personally liable to the extent  
14 that, had such insurance, bond, or other evidence of responsibility  
15 been maintained, it would have covered the liability in question.

16 (3) For purposes of applying the provisions of chapter 18.100 RCW  
17 to a professional limited liability company, the terms "director" or  
18 "officer" shall mean manager, "shareholder" shall mean member,  
19 "corporation" shall mean professional limited liability company,  
20 "articles of incorporation" shall mean certificate of formation,  
21 "shares" or "capital stock" shall mean a limited liability company  
22 interest, "incorporator" shall mean the person who executes the  
23 certificate of formation, and "bylaws" shall mean the limited liability  
24 company agreement.

25 (4) The name of a professional limited liability company must  
26 contain either the words "Professional Limited Liability Company," or  
27 the words "Professional Limited Liability" and the abbreviation "Co.,"  
28 or the abbreviation "P.L.L.C." or "PLLC" provided that the name of a  
29 professional limited liability company organized to render dental  
30 services shall contain the full names or surnames of all members and no  
31 other word than "chartered" or the words "professional services" or the  
32 abbreviation "P.L.L.C." or "PLLC".

33 (5) Subject to the provisions in article VII of this chapter, the  
34 following may be a member of a professional limited liability company  
35 and may be the transferee of the interest of an ineligible person or  
36 deceased member of the professional limited liability company:

37 (a) A professional corporation, if its shareholders, directors, and  
38 its officers other than the secretary and the treasurer, are licensed  
39 or otherwise legally authorized to render the same specific

1 professional services as the professional limited liability company;  
2 and

3 (b) Another professional limited liability company, if the managers  
4 and members of both professional limited liability companies are  
5 licensed or otherwise legally authorized to render the same specific  
6 professional services.

7 **Sec. 7.** RCW 25.15.150 and 1994 c 211 s 401 are each amended to  
8 read as follows:

9 (1) Unless the certificate of formation vests management of the  
10 limited liability company in a manager or managers((~~7~~)): (a)  
11 Management of the business or affairs of the limited liability company  
12 shall be vested in the members; and (b) each member is an agent of the  
13 limited liability company for the purpose of its business and the act  
14 of any member for apparently carrying on in the usual way the business  
15 of the limited liability company binds the limited liability company  
16 unless the member so acting has in fact no authority to act for the  
17 limited liability company in the particular matter and the person with  
18 whom the member is dealing has knowledge of the fact that the member  
19 has no such authority. Subject to any provisions in the limited  
20 liability company agreement or this chapter restricting or enlarging  
21 the management rights and duties of any person or group or class of  
22 persons, the members shall have the right and authority to manage the  
23 affairs of the limited liability company and to make all decisions with  
24 respect thereto.

25 (2) If the certificate of formation vests management of the limited  
26 liability company in one or more managers, then such persons shall have  
27 such power to manage the business or affairs of the limited liability  
28 company as is provided in the limited liability company agreement.  
29 Unless otherwise provided in the limited liability company agreement,  
30 such persons:

31 (a) Shall be designated, appointed, elected, removed, or replaced  
32 by a vote, approval, or consent of members contributing, or required to  
33 contribute, more than fifty percent of the agreed value (as stated in  
34 the records of the limited liability company required to be kept  
35 pursuant to RCW 25.15.135) of the contributions made, or required to be  
36 made, by all members at the time of such action;

37 (b) Need not be members of the limited liability company or natural  
38 persons; and

1 (c) Unless they have been earlier removed or have earlier resigned,  
2 shall hold office until their successors shall have been elected and  
3 qualified.

4 (3) If the certificate of formation vests management of the limited  
5 liability company in a manager or managers, no member, acting solely in  
6 the capacity as a member, is an agent of the limited liability company.

7 **Sec. 8.** RCW 25.15.270 and 1994 c 211 s 801 are each amended to  
8 read as follows:

9 A limited liability company is dissolved and its affairs shall be  
10 wound up upon the first to occur of the following:

11 (1) The dissolution date, if any, specified in a limited liability  
12 company agreement (~~(, or thirty years from the date of the formation of~~  
13 ~~the limited liability company if no such date is set forth in the~~  
14 ~~limited liability company agreement)~~);

15 (2) The happening of events specified in a limited liability  
16 company agreement;

17 (3) The written consent of all members;

18 (4) An event of dissociation of a member, unless the business of  
19 the limited liability company is continued either by the consent of all  
20 the remaining members within ninety days following the occurrence of  
21 any such event or pursuant to a right to continue stated in the limited  
22 liability company agreement;

23 (5) The entry of a decree of judicial dissolution under RCW  
24 25.15.275;

25 (6) At any time there are fewer than two members unless, within  
26 ninety days following the event of dissociation upon which the number  
27 of members is reduced below two, one or more additional members are  
28 admitted so that there are at least two members; or

29 (7) The expiration of two years after the effective date of  
30 dissolution under RCW 25.15.285 without the reinstatement of the  
31 limited liability company.

32 **Sec. 9.** RCW 25.15.325 and 1994 c 211 s 904 are each amended to  
33 read as follows:

34 (1) A foreign limited liability company may register with the  
35 secretary of state under any name (whether or not it is the name under  
36 which it is registered in the jurisdiction of its formation) that  
37 includes the words "Limited Liability Company," the words "Limited

1 Liability" and the abbreviation "Co.," or the abbreviation "L.L.C." and  
2 that could be registered by a domestic limited liability company. A  
3 foreign limited liability company may apply to the secretary of state  
4 for authorization to use a name which is not distinguishable upon the  
5 records of the office of the secretary of state from the names  
6 described in RCW 23B.04.010(1)(d), and the names of any domestic or  
7 foreign limited liability company reserved, registered, or formed under  
8 the laws of this state. The secretary of state shall authorize use of  
9 the name applied for if the other corporation, limited liability  
10 company, or limited partnership consents in writing to the use and  
11 files with the secretary of state documents necessary to change its  
12 name, or the name reserved or registered to a name that is  
13 distinguishable upon the records of the secretary of state from the  
14 name of the applying foreign limited liability company.

15 (2) Each foreign limited liability company shall continuously  
16 maintain in this state:

17 (a) A registered office, which may but need not be a place of its  
18 business in this state. The registered office shall be at a specific  
19 geographic location in this state, and be identified by number, if any,  
20 and street, or building address or rural route, or, if a commonly known  
21 street or rural route address does not exist, by legal description. A  
22 registered office may not be identified by post office box number or  
23 other nongeographic address. For purposes of communicating by mail,  
24 the secretary of state may permit the use of a post office address in  
25 the same city as the registered office in conjunction with the  
26 registered office address if the foreign limited liability company also  
27 maintains on file the specific geographic address of the registered  
28 office where personal service of process may be made;

29 (b) A registered agent for service of process on the foreign  
30 limited liability company, which agent may be either an individual  
31 resident of this state whose business office is identical with the  
32 foreign limited liability company's registered office, or a domestic  
33 corporation, a limited partnership or limited liability company, or a  
34 foreign corporation authorized to do business in this state having a  
35 business office identical with such registered office; and

36 (c) A registered agent who shall not be appointed without having  
37 given prior written consent to the appointment. The written consent  
38 shall be filed with the secretary of state in such form as the  
39 secretary may prescribe. The written consent shall be filled with or

1 as a part of the document first appointing a registered agent. In the  
2 event any individual, limited liability company, limited partnership,  
3 or corporation has been appointed agent without consent, that person or  
4 corporation may file a notarized statement attesting to that fact, and  
5 the name shall forthwith be removed from the records of the secretary  
6 of state.

7 (3) (~~(A registered agent may change the address of the registered~~  
8 ~~office of the foreign limited liability company or companies for which~~  
9 ~~the registered agent is registered agent to another address in this~~  
10 ~~state by filing with the secretary of state a certificate, executed by~~  
11 ~~such registered agent, setting forth the names of all the foreign~~  
12 ~~limited liability companies represented by such registered agent, and~~  
13 ~~the address at which such registered agent has maintained the~~  
14 ~~registered office for each of such foreign limited liability companies,~~  
15 ~~and further certifying to the new address to which each such registered~~  
16 ~~office will be changed on a given day, and at which new address such~~  
17 ~~registered agent will thereafter maintain the registered office for~~  
18 ~~each of the foreign limited liability companies recited in the~~  
19 ~~certificate. Upon the filing of such certificate, the secretary of~~  
20 ~~state shall furnish to the registered agent a certified copy of the~~  
21 ~~same, and thereafter, or until further change of address, as authorized~~  
22 ~~by law, the registered office in this state of each of the foreign~~  
23 ~~limited liability companies recited in the certificate shall be located~~  
24 ~~at the new address of the registered agent thereof as given in the~~  
25 ~~certificate. In the event of a change of name of any person acting as~~  
26 ~~a registered agent of a foreign limited liability company, such~~  
27 ~~registered agent shall file with the secretary of state a certificate,~~  
28 ~~executed by such registered agent, setting forth the new name of such~~  
29 ~~registered agent, the name of such registered agent before it was~~  
30 ~~changed, the names of all the foreign limited liability companies~~  
31 ~~represented by such registered agent, and the address at which such~~  
32 ~~registered agent has maintained the registered office for each of such~~  
33 ~~foreign limited liability companies. Upon the filing of such~~  
34 ~~certificate, the secretary of state shall furnish to the registered~~  
35 ~~agent a certified copy of the same. Filing a certificate under this~~  
36 ~~section shall be deemed to be an amendment of the application for~~  
37 ~~registration of each foreign limited liability company affected thereby~~  
38 ~~and each foreign limited liability company shall not be required to~~  
39 ~~take any further action with respect thereto, to amend its application~~

1 under RCW 25.15.330. Any registered agent filing a certificate under  
2 this section shall promptly, upon such filing, deliver a copy of any  
3 such certificate to each foreign limited liability company affected  
4 thereby.

5 (4) The registered agent of one or more foreign limited liability  
6 companies may resign and appoint a successor registered agent by filing  
7 a certificate with the secretary of state, stating that it resigns and  
8 the name and address of the successor registered agent. There shall be  
9 attached to such certificate a statement executed by each affected  
10 foreign limited liability company ratifying and approving such change  
11 of registered agent. Upon such filing, the successor registered agent  
12 shall become the registered agent of such foreign limited liability  
13 company as has ratified and approved such substitution and the  
14 successor registered agent's address, as stated in such certificate,  
15 shall become the address of each such foreign limited liability  
16 company's registered office in this state. The secretary of state  
17 shall furnish to the successor registered agent a certified copy of the  
18 certificate of resignation. Filing of such certificate of resignation  
19 shall be deemed to be an amendment of the application for registration  
20 of each foreign limited liability company affected thereby and each  
21 such foreign limited liability company shall not be required to take  
22 any further action with respect thereto, to amend its application under  
23 RCW 25.15.330.

24 (5) The registered agent of a foreign limited liability company may  
25 resign without appointing a successor registered agent by filing a  
26 certificate with the secretary of state stating that it resigns as  
27 registered agent for the foreign limited liability company identified  
28 in the certificate, but such resignation shall not become effective  
29 until one hundred twenty days after the certificate is filed. There  
30 shall be attached to such certificate an affidavit of such registered  
31 agent, if an individual, or of the president, a vice president, or the  
32 secretary thereof if a corporation, that at least thirty days prior to  
33 and on or about the date of the filing of said certificate, notices  
34 were sent by certified or registered mail to the foreign limited  
35 liability companies for which such registered agent is resigning as  
36 registered agent, at the principal office thereof within or outside  
37 this state, if known to such registered agent or, if not, to the last  
38 known address of the attorney or other individual at whose request such  
39 registered agent was appointed for such foreign limited liability

1 company, of the resignation of such registered agent. After receipt of  
2 the notice of the resignation of its registered agent, the foreign  
3 limited liability company for which such registered agent was acting  
4 shall obtain and designate a new registered agent, to take the place of  
5 the registered agent so resigning. If such foreign limited liability  
6 company fails to obtain and designate a new registered agent as  
7 aforesaid prior to the expiration of the period of one hundred twenty  
8 days after the filing by the registered agent of the certificate of  
9 resignation, such foreign limited liability company shall not be  
10 permitted to do business in this state and its registration shall be  
11 deemed to be canceled. After the resignation of the registered agent  
12 shall have become effective as provided in this section and if no new  
13 registered agent shall have been obtained and designated in the time  
14 and manner aforesaid, service of legal process against the foreign  
15 limited liability company for which the resigned registered agent had  
16 been acting shall thereafter be upon the secretary of state in  
17 accordance with RCW 25.15.360)) A foreign limited liability company may  
18 change its registered office or registered agent by delivering to the  
19 secretary of state for filing a statement of change that sets forth:

20 (a) The name of the foreign limited liability company;

21 (b) If the current registered office is to be changed, the street  
22 address of the new registered office in accord with subsection (2)(a)  
23 of this section;

24 (c) If the current registered agent is to be changed, the name of  
25 the new registered agent and the new agent's written consent, either on  
26 the statement or attached to it, to the appointment; and

27 (d) That after the change or changes are made, the street addresses  
28 of its registered office and the business office of its registered  
29 agent will be identical.

30 (4) If a registered agent changes the street address of the agent's  
31 business office, the registered agent may change the street address of  
32 the registered office of any foreign limited liability company for  
33 which the agent is the registered agent by notifying the foreign  
34 limited liability company in writing of the change and signing, either  
35 manually or in facsimile, and delivering to the secretary of state for  
36 filing a statement that complies with the requirements of subsection  
37 (3) of this section and recites that the foreign limited liability  
38 company has been notified of the change.

1       (5) A registered agent of any foreign limited liability company may  
2 resign as agent by signing and delivering to the secretary of state for  
3 filing a statement that the registered office is also discontinued.  
4 After filing the statement the secretary of state shall mail a copy of  
5 the statement to the foreign limited liability company at its principal  
6 office address shown in its most recent annual report, or the address  
7 of its principal place of business shown in its application for  
8 certificate of registration if no annual report has been filed. The  
9 agency appointment is terminated, and the registered office  
10 discontinued if so provided, on the thirty-first day after the date on  
11 which the statement was filed.

12       NEW SECTION. Sec. 10. A new section is added to chapter 25.15 RCW  
13 under "Article IX" to read as follows:

14       The secretary of state may commence a proceeding under section 11  
15 of this act to revoke registration of a foreign limited liability  
16 company authorized to transact business in this state if:

17       (1) The foreign limited liability company is without a registered  
18 agent or registered office in this state for sixty days or more;

19       (2) The foreign limited liability company does not inform the  
20 secretary of state under RCW 25.15.330 that its registered agent or  
21 registered office has changed, that its registered agent has resigned,  
22 or that its registered office has been discontinued within sixty days  
23 of the change, resignation, or discontinuance;

24       (3) A manager or other agent of the foreign limited liability  
25 company signed a document knowing it was false in any material respect  
26 with intent that the document be delivered to the secretary of state  
27 for filing; or

28       (4) The secretary of state receives a duly authenticated  
29 certificate from the secretary of state or other official having  
30 custody of limited liability company records in the jurisdiction under  
31 which the foreign limited liability company was organized stating that  
32 the foreign limited liability company has been dissolved or its  
33 certificate or articles of formation canceled.

34       NEW SECTION. Sec. 11. A new section is added to chapter 25.15 RCW  
35 under "Article IX" to read as follows:

36       (1) If the secretary of state determines that one or more grounds  
37 exist under section 10 of this act for revocation of a foreign limited



1 liability company's registration, the secretary of state shall give the  
2 foreign limited liability company written notice of the determination  
3 by first class mail, postage prepaid, stating in the notice the ground  
4 or grounds for and effective date of the secretary of state's  
5 determination, which date shall not be earlier than the date on which  
6 the notice is mailed.

7 (2) If the foreign limited liability company does not correct each  
8 ground for revocation or demonstrate to the reasonable satisfaction of  
9 the secretary of state that each ground determined by the secretary of  
10 state does not exist within sixty days after notice is effective, the  
11 secretary of state shall revoke the foreign limited liability company's  
12 registration by signing a certificate of revocation that recites the  
13 ground or grounds for revocation and its effective date. The secretary  
14 of state shall file the original of the certificate and mail a copy to  
15 the foreign limited liability company.

16 (3) Documents to be mailed by the secretary of state to a foreign  
17 limited liability company for which provision is made in this section  
18 shall be sent to the foreign limited liability company at the address  
19 of the agent for service of process contained in the application or  
20 certificate of this limited liability company which is most recently  
21 filed with the secretary of state.

22 (4) The authority of a foreign limited liability company to  
23 transact business in this state ceases on the date shown on the  
24 certificate revoking its registration.

25 (5) The secretary of state's revocation of a foreign limited  
26 liability company's registration appoints the secretary of state the  
27 foreign limited liability company's agent for service of process in any  
28 proceeding based on a cause of action which arose during the time the  
29 foreign limited liability company was authorized to transact business  
30 in this state.

31 (6) Revocation of a foreign limited liability company's  
32 registration does not terminate the authority of the registered agent  
33 of the foreign limited liability company.

34 NEW SECTION. **Sec. 12.** Section 8, chapter ..., Laws of 1996  
35 (section 8 of this act) does not apply to a limited liability company  
36 formed prior to the effective date of this act, unless the certificate  
37 of formation of the limited liability company is amended after the

1 effective date of this act to provide that the limited liability  
2 company has perpetual duration.

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