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ENGROSSED SUBSTITUTE SENATE BILL 6168

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State of Washington                      54th Legislature                      1996 Regular Session

By Senate Committee on Law & Justice (originally sponsored by Senators Smith, Johnson, Newhouse and Winsley)

Read first time 01/25/96.

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  
8 25.10.020(1)(d), and the names of any limited liability company  
9 reserved, registered, or formed under the laws of this state or  
10 qualified to do business as a foreign limited liability company in this  
11 state.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1       (4) The registered agent of a limited liability company may resign  
2 without appointing a successor registered agent by filing a certificate  
3 with the secretary of state stating that it resigns as registered agent  
4 for the limited liability company identified in the certificate, but  
5 such resignation shall not become effective until one hundred twenty  
6 days after the certificate is filed. There shall be attached to such  
7 certificate an affidavit of such registered agent, that at least thirty  
8 days prior to and on or about the date of the filing of said  
9 certificate, notices were sent by certified or registered mail to the  
10 limited liability company for which such registered agent is resigning  
11 as registered agent, at the principal office thereof within or outside  
12 this state, if known to such registered agent or, if not, to the last  
13 known address of the attorney or other individual at whose request such  
14 registered agent was appointed for such limited liability company, of  
15 the resignation of such registered agent. After receipt of the notice  
16 of the resignation of its registered agent, the limited liability  
17 company for which such registered agent was acting shall obtain and  
18 designate a new registered agent, to take the place of the registered  
19 agent so resigning)) A limited liability company may change its  
20 registered office or registered agent by delivering to the secretary of  
21 state for filing a statement of change that sets forth:

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

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

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

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

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

1 section and recites that the limited liability company has been  
2 notified of the change.

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

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

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

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

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

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

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

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

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

1 (a) A professional corporation, if its shareholders, directors, and  
2 its officers other than the secretary and the treasurer, are licensed  
3 or otherwise legally authorized to render the same specific  
4 professional services as the professional limited liability company;  
5 and

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

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

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

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

34 (a) Shall be designated, appointed, elected, removed, or replaced  
35 by a vote, approval, or consent of members contributing, or required to  
36 contribute, more than fifty percent of the agreed value (as stated in  
37 the records of the limited liability company required to be kept

1 pursuant to RCW 25.15.135) of the contributions made, or required to be  
2 made, by all members at the time of such action;

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

5 (c) Unless they have been earlier removed or have earlier resigned,  
6 shall hold office until their successors shall have been elected and  
7 qualified.

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

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

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

15 (1) The dissolution date, if any, specified in a limited liability  
16 company agreement (~~(, or thirty years from the date of the formation of~~  
17 ~~the limited liability company if no such date is set forth in the~~  
18 ~~limited liability company agreement)~~). If a date is not specified in  
19 the agreement or the agreement does not specify perpetual existence,  
20 then the dissolution date is thirty years after the date of formation.  
21 If a dissolution date is specified in the agreement, it is renewable by  
22 consent of all the members;

23 (2) The happening of events specified in a limited liability  
24 company agreement;

25 (3) The written consent of all members;

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

31 (5) The entry of a decree of judicial dissolution under RCW  
32 25.15.275;

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

1 (7) The expiration of two years after the effective date of  
2 dissolution under RCW 25.15.285 without the reinstatement of the  
3 limited liability company.

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

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

24 (2) Each foreign limited liability company shall continuously  
25 maintain in this state:

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

1 (b) A registered agent for service of process on the foreign  
2 limited liability company, which agent may be either an individual  
3 resident of this state whose business office is identical with the  
4 foreign limited liability company's registered office, or a domestic  
5 corporation, a limited partnership or limited liability company, or a  
6 foreign corporation authorized to do business in this state having a  
7 business office identical with such registered office; and

8 (c) A registered agent who shall not be appointed without having  
9 given prior written consent to the appointment. The written consent  
10 shall be filed with the secretary of state in such form as the  
11 secretary may prescribe. The written consent shall be filled with or  
12 as a part of the document first appointing a registered agent. In the  
13 event any individual, limited liability company, limited partnership,  
14 or corporation has been appointed agent without consent, that person or  
15 corporation may file a notarized statement attesting to that fact, and  
16 the name shall forthwith be removed from the records of the secretary  
17 of state.

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

1 registered agent, the name of such registered agent before it was  
2 changed, the names of all the foreign limited liability companies  
3 represented by such registered agent, and the address at which such  
4 registered agent has maintained the registered office for each of such  
5 foreign limited liability companies. Upon the filing of such  
6 certificate, the secretary of state shall furnish to the registered  
7 agent a certified copy of the same. Filing a certificate under this  
8 section shall be deemed to be an amendment of the application for  
9 registration of each foreign limited liability company affected thereby  
10 and each foreign limited liability company shall not be required to  
11 take any further action with respect thereto, to amend its application  
12 under RCW 25.15.330. Any registered agent filing a certificate under  
13 this section shall promptly, upon such filing, deliver a copy of any  
14 such certificate to each foreign limited liability company affected  
15 thereby.

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

35 (5) The registered agent of a foreign limited liability company may  
36 resign without appointing a successor registered agent by filing a  
37 certificate with the secretary of state stating that it resigns as  
38 registered agent for the foreign limited liability company identified  
39 in the certificate, but such resignation shall not become effective

1 until one hundred twenty days after the certificate is filed. There  
2 shall be attached to such certificate an affidavit of such registered  
3 agent, if an individual, or of the president, a vice president, or the  
4 secretary thereof if a corporation, that at least thirty days prior to  
5 and on or about the date of the filing of said certificate, notices  
6 were sent by certified or registered mail to the foreign limited  
7 liability companies for which such registered agent is resigning as  
8 registered agent, at the principal office thereof within or outside  
9 this state, if known to such registered agent or, if not, to the last  
10 known address of the attorney or other individual at whose request such  
11 registered agent was appointed for such foreign limited liability  
12 company, of the resignation of such registered agent. After receipt of  
13 the notice of the resignation of its registered agent, the foreign  
14 limited liability company for which such registered agent was acting  
15 shall obtain and designate a new registered agent, to take the place of  
16 the registered agent so resigning. If such foreign limited liability  
17 company fails to obtain and designate a new registered agent as  
18 aforesaid prior to the expiration of the period of one hundred twenty  
19 days after the filing by the registered agent of the certificate of  
20 resignation, such foreign limited liability company shall not be  
21 permitted to do business in this state and its registration shall be  
22 deemed to be canceled. After the resignation of the registered agent  
23 shall have become effective as provided in this section and if no new  
24 registered agent shall have been obtained and designated in the time  
25 and manner aforesaid, service of legal process against the foreign  
26 limited liability company for which the resigned registered agent had  
27 been acting shall thereafter be upon the secretary of state in  
28 accordance with RCW 25.15.360)) A foreign limited liability company may  
29 change its registered office or registered agent by delivering to the  
30 secretary of state for filing a statement of change that sets forth:

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

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

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

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

4       (4) If a registered agent changes the street address of the agent's  
5 business office, the registered agent may change the street address of  
6 the registered office of any foreign limited liability company for  
7 which the agent is the registered agent by notifying the foreign  
8 limited liability company in writing of the change and signing, either  
9 manually or in facsimile, and delivering to the secretary of state for  
10 filing a statement that complies with the requirements of subsection  
11 (3) of this section and recites that the foreign limited liability  
12 company has been notified of the change.

13       (5) A registered agent of any foreign limited liability company may  
14 resign as agent by signing and delivering to the secretary of state for  
15 filing a statement that the registered office is also discontinued.  
16 After filing the statement the secretary of state shall mail a copy of  
17 the statement to the foreign limited liability company at its principal  
18 office address shown in its most recent annual report, or the address  
19 of its principal place of business shown in its application for  
20 certificate of registration if no annual report has been filed. The  
21 agency appointment is terminated, and the registered office  
22 discontinued if so provided, on the thirty-first day after the date on  
23 which the statement was filed.

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

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

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

31       (2) The foreign limited liability company does not inform the  
32 secretary of state under RCW 25.15.330 that its registered agent or  
33 registered office has changed, that its registered agent has resigned,  
34 or that its registered office has been discontinued within sixty days  
35 of the change, resignation, or discontinuance;

36       (3) A manager or other agent of the foreign limited liability  
37 company signed a document knowing it was false in any material respect

1 with intent that the document be delivered to the secretary of state  
2 for filing; or

3 (4) The secretary of state receives a duly authenticated  
4 certificate from the secretary of state or other official having  
5 custody of limited liability company records in the jurisdiction under  
6 which the foreign limited liability company was organized stating that  
7 the foreign limited liability company has been dissolved or its  
8 certificate or articles of formation canceled.

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

11 (1) If the secretary of state determines that one or more grounds  
12 exist under section 10 of this act for revocation of a foreign limited  
13 liability company's registration, the secretary of state shall give the  
14 foreign limited liability company written notice of the determination  
15 by first class mail, postage prepaid, stating in the notice the ground  
16 or grounds for and effective date of the secretary of state's  
17 determination, which date shall not be earlier than the date on which  
18 the notice is mailed.

19 (2) If the foreign limited liability company does not correct each  
20 ground for revocation or demonstrate to the reasonable satisfaction of  
21 the secretary of state that each ground determined by the secretary of  
22 state does not exist within sixty days after notice is effective, the  
23 secretary of state shall revoke the foreign limited liability company's  
24 registration by signing a certificate of revocation that recites the  
25 ground or grounds for revocation and its effective date. The secretary  
26 of state shall file the original of the certificate and mail a copy to  
27 the foreign limited liability company.

28 (3) Documents to be mailed by the secretary of state to a foreign  
29 limited liability company for which provision is made in this section  
30 shall be sent to the foreign limited liability company at the address  
31 of the agent for service of process contained in the application or  
32 certificate of this limited liability company which is most recently  
33 filed with the secretary of state.

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

37 (5) The secretary of state's revocation of a foreign limited  
38 liability company's registration appoints the secretary of state the

1 foreign limited liability company's agent for service of process in any  
2 proceeding based on a cause of action which arose during the time the  
3 foreign limited liability company was authorized to transact business  
4 in this state.

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

8 NEW SECTION. **Sec. 12.** Section 8, chapter ..., Laws of 1996  
9 (section 8 of this act) does not apply to a limited liability company  
10 formed prior to the effective date of this act, unless the certificate  
11 of formation of the limited liability company is amended after the  
12 effective date of this act to provide that the limited liability  
13 company has perpetual duration.

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