

D R A F T

SUMMARY

Digest: The Act updates laws about LLCs. (Flesch Readability Score: 73.8).

Updates and modernizes laws that govern the formation, governance, operations and conversion of limited liability companies in this state and relations among members, managers and third parties with respect to limited liability companies in this state.

A BILL FOR AN ACT

Relating to limited liability companies; creating new provisions; amending ORS 33.025, 56.014, 56.016, 56.022, 56.023, 56.037, 56.110, 56.140, 60.001, 60.470, 60.752, 60.754, 60.756, 60.758, 60.760, 60.764, 62.015, 62.605, 65.001, 67.340, 70.005, 70.500, 93.269, 314.840, 401.690, 648.005, 648.081, 656.735, 657.044, 671.047, 696.030, 701.160, 707.007, 709.015, 713.140, 713.200 and 726.050 and ORCP 7 D; and repealing ORS 63.001, 63.002, 63.004, 63.007, 63.011, 63.014, 63.016, 63.017, 63.021, 63.024, 63.027, 63.031, 63.032, 63.034, 63.044, 63.047, 63.051, 63.054, 63.057, 63.074, 63.077, 63.094, 63.097, 63.101, 63.111, 63.114, 63.117, 63.121, 63.130, 63.140, 63.155, 63.160, 63.165, 63.170, 63.175, 63.180, 63.185, 63.195, 63.200, 63.205, 63.209, 63.219, 63.225, 63.229, 63.235, 63.239, 63.245, 63.249, 63.255, 63.259, 63.265, 63.431, 63.434, 63.437, 63.441, 63.444, 63.467, 63.470, 63.473, 63.476, 63.479, 63.481, 63.487, 63.494, 63.497, 63.621, 63.625, 63.629, 63.631, 63.637, 63.641, 63.644, 63.645, 63.647, 63.651, 63.654, 63.657, 63.661, 63.664, 63.671, 63.674, 63.701, 63.704, 63.707, 63.711, 63.714, 63.717, 63.721, 63.724, 63.727, 63.731, 63.734, 63.737, 63.741, 63.744, 63.747, 63.771, 63.777, 63.781, 63.784, 63.787, 63.801, 63.810, 63.951, 63.955, 63.960, 63.965, 63.990 and 63.992.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

Be It Enacted by the People of the State of Oregon:

TITLE

SECTION 1. Short Title. Sections 1 to 125 of this 2025 Act shall be known and may be cited as the Oregon Limited Liability Company Act.

DEFINITIONS

SECTION 2. Definitions. As used in sections 1 to 125 of this 2025 Act:

(1) “Articles of organization” means the record required under section 24 of this 2025 Act and the record as amended or restated.

(2) “Contribution,” except as used in “right of contribution,” means property or a benefit, as described in section 42 of this 2025 Act, that is provided by a person to a limited liability company to become a member or in the person’s capacity as a member.

(3) “Debtor in bankruptcy” means a person that is the subject of:

(a) An order for relief under Title 11 of the United States Code, as in effect on the effective date of this 2025 Act, or a comparable order under a successor statute of general application; or

(b) A comparable order under federal, state or foreign law governing insolvency.

(4)(a) “Distribution” means a transfer of money or other property from a limited liability company to a person on account of a transferable interest or in the person’s capacity as a member, such as:

(A) A redemption or other purchase by a limited liability company of a transferable interest; and

(B) A transfer to a member in return for the member’s relinquishment of any right to participate as a member in the management or conduct of the limited liability company’s activities and

1 affairs or to have access to records or other information concerning
2 the limited liability company's activities or affairs.

3 (b) "Distribution" does not include amounts constituting reasonable
4 compensation for present or past service or payments made in the
5 ordinary course of business under a bona fide retirement plan or other
6 bona fide benefits program.

7 (5) "Foreign limited liability company" means an unincorporated
8 entity organized under the laws of a jurisdiction other than this state
9 that would be a limited liability company if organized under the laws
10 of this state.

11 (6) "Jurisdiction," used to refer to a political entity, means the
12 United States, a state, a foreign country or a political subdivision of
13 a foreign country.

14 (7) "Jurisdiction of formation" means the jurisdiction the laws of
15 which govern the internal affairs of an entity.

16 (8) "Limited liability company" means an entity that is organized
17 under sections 1 to 125 of this 2025 Act or an entity that becomes
18 subject to sections 1 to 125 of this 2025 Act under sections 90 to 120 of
19 this 2025 Act.

20 (9) "Manager" means a person that, under the operating agreement
21 of a manager-managed limited liability company, is responsible, alone
22 or in concert with others, for performing the management functions
23 described in section 47 (3) of this 2025 Act.

24 (10) "Manager-managed limited liability company" means a limited
25 liability company that qualifies under section 47 (1) of this 2025 Act.

26 (11)(a) "Member" means a person that has become a member of a
27 limited liability company under section 41 of this 2025 Act or was a
28 member of a limited liability company when the company becomes
29 subject to sections 1 to 125 of this 2025 Act.

30 (b) "Member" does not include a person that is dissociated from a
31 limited liability company under section 56 of this 2025 Act.

1 **(12) “Member-managed limited liability company” means a limited**
2 **liability company that is not a manager-managed limited liability**
3 **company.**

4 **(13) “Operating agreement” means an agreement of all of the**
5 **members of a limited liability company, including a sole member,**
6 **concerning the matters described in section 6 of this 2025 Act, includ-**
7 **ing amendments to or restatements of the agreement, whether the**
8 **agreement is referred to as an operating agreement and whether the**
9 **form of the agreement is oral, implied, in a record or in any combi-**
10 **nation of forms.**

11 **(14) “Organizer” means a person that acts under section 24 of this**
12 **2025 Act to form a limited liability company.**

13 **(15) “Person” means:**

14 **(a) An individual;**

15 **(b) A partnership, limited partnership or limited liability partner-**
16 **ship;**

17 **(c) A limited liability company or foreign limited liability company;**

18 **(d) A corporation, professional corporation or nonprofit corpo-**
19 **ration;**

20 **(e) A joint venture, association, unincorporated nonprofit associ-**
21 **ation or limited cooperative association;**

22 **(f) A cooperative;**

23 **(g) A trust, statutory trust, business trust or common-law business**
24 **trust;**

25 **(h) A public corporation;**

26 **(i) A government or governmental subdivision or a tribal govern-**
27 **ment; or**

28 **(j) Any other legal or commercial entity.**

29 **(16)(a) “Principal office” means an office with a physical street ad-**
30 **dress inside or outside this state where the executive offices of a lim-**
31 **ited liability company or a foreign limited liability company are**

1 located, as recorded in an annual report or in a registration to do
2 business in this state.

3 (b) “Principal office” does not include a commercial mail receiving
4 agency, a mail forwarding address or a virtual office.

5 (17) “Property” means all property, whether real, personal, a mix-
6 ture of real or personal, tangible or intangible, or any right or interest
7 in the property.

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

11 (19) “Registered agent” means an agent that is authorized to receive
12 service of process, a notice or a demand that is required or permitted
13 by law to be served on a limited liability company or a registered for-
14 eign limited liability company.

15 (20) “Registered foreign limited liability company” means a foreign
16 limited liability company that is authorized to do business in this state
17 under a statement of registration filed by the Secretary of State.

18 (21) “Shell entity” means an entity that has the characteristics de-
19 scribed in section 58 of this 2025 Act.

20 (22) “Sign” means, with present intent to authenticate or adopt the
21 record, to execute or adopt a tangible symbol, or to attach to or log-
22 ically associate an electronic symbol, sound or process with a record,
23 including as provided in ORS 84.001 to 84.061.

24 (23) “State” means a state of the United States, the District of
25 Columbia, Puerto Rico, the United States Virgin Islands or any terri-
26 tory or insular possession that is subject to the jurisdiction of the
27 United States.

28 (24) “Transfer” means an assignment, a conveyance, a sale, a lease,
29 an encumbrance, including a mortgage or security interest, a gift or
30 a transfer by operation of law.

31 (25) “Transferable interest” means a right that a person initially

owns in the person's capacity as a member to receive distributions from a limited liability company, whether or not the person remains a member or continues to own any part of the right, and includes any fraction of the interest, by whomever owned.

(26) "Transferee" means a person to which all or a part of a transferable interest has been transferred, whether or not the other person is a member, including a person that owns a transferable interest under section 57 (1)(c) of this 2025 Act.

GENERAL PROVISIONS

SECTION 3. Application of Statutes to Members and Managers of Limited Liability Companies. (1) If a section of the Oregon Revised Statutes applies to both partners and directors, the section also applies to:

(a) The managers of a limited liability company in a limited liability company with one or more managers; and

(b) The members of a limited liability company in a limited liability company without managers.

(2) If a section of the Oregon Revised Statutes applies to both partners and shareholders, the section also applies to members of a limited liability company.

(3) Sections 1 to 125 of this 2025 Act do not supersede the provisions of ORS 679.020.

SECTION 4. Knowledge; Notice. (1) A person knows a fact if the person:

(a) Has actual knowledge of the fact; or

(b) Is deemed to know the fact under subsection (4)(a) of this section or under law other than sections 1 to 125 of this 2025 Act.

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

(a) Has reason to know of the fact from all of the other facts the

1 person knows at the time in question; or

2 (b) Is deemed to have notice of the fact under subsection (4)(b) of
3 this section.

4 (3) Subject to section 33 (5) of this 2025 Act, a person notifies an-
5 other person of a fact by taking steps reasonably required to inform
6 the other person in ordinary course, whether the steps cause or do not
7 cause the other person to know the fact.

8 (4) A person that is not a member is deemed:

9 (a) To know of a limitation on authority to transfer real property
10 as provided in section 37 (7) of this 2025 Act; and

11 (b) To have notice of a limited liability company's:

12 (A) Dissolution, 90 days after a statement of dissolution under sec-
13 tion 61 (2)(b)(A) of this 2025 Act becomes effective;

14 (B) Termination, 90 days after a statement of termination under
15 section 61 (2)(b)(F) of this 2025 Act becomes effective; and

16 (C) Participation in a merger, interest exchange, conversion to a
17 different form of entity or domestication, 90 days after articles of
18 merger, interest exchange, conversion or domestication under sections
19 90 to 120 of this 2025 Act become effective.

20 SECTION 5. Governing Law. The laws of this state govern:

21 (1) The internal affairs of a limited liability company; and

22 (2) The liability of a member as a member and of a manager as a
23 manager for a debt, obligation or other liability of a limited liability
24 company.

25 SECTION 6. Operating Agreement. (1) Except as otherwise provided
26 in subsections (3) and (4) of this section, an operating agreement gov-
27 erns:

28 (a) Relations among members as members and between members
29 and the limited liability company;

30 (b) The rights and duties under sections 1 to 125 of this 2025 Act of
31 a person in the capacity of a manager;

1 (c) The activities and affairs and the conduct of the activities and
2 affairs of the limited liability company; and

3 (d) The means of and conditions for amending the operating agree-
4 ment.

5 (2) If the operating agreement does not provide for a matter de-
6 scribed in subsection (1) of this section, sections 1 to 125 of this 2025
7 Act govern the matter.

8 (3) An operating agreement may not:

9 (a) Vary the law applicable under section 5 of this 2025 Act;

10 (b) Vary a limited liability company's capacity under section 11 of
11 this 2025 Act to sue or be sued in the limited liability company's own
12 name;

13 (c) Vary any requirement, procedure or other provision of sections
14 1 to 125 of this 2025 Act pertaining to:

15 (A) A registered agent; or

16 (B) The Secretary of State, including provisions pertaining to re-
17 cords that are authorized or required to be delivered to the Secretary
18 of State for filing under sections 1 to 125 of this 2025 Act;

19 (d) Vary the provisions of section 27 of this 2025 Act;

20 (e) Alter or eliminate the duty of loyalty or the duty of care, except
21 as otherwise provided in subsection (4) of this section;

22 (f) Eliminate the contractual obligation of good faith and fair deal-
23 ing under section 49 (4) of this 2025 Act, except that the operating
24 agreement may prescribe standards that are not manifestly unreason-
25 able for measuring the performance of the obligation;

26 (g) Relieve or exonerate a person, in whole or in part, from liability
27 for conduct involving a breach of the duty of loyalty, an improper
28 distribution under section 46 of this 2025 Act, bad faith, willful or in-
29 tentional misconduct or a knowing violation of the law;

30 (h) Vary the rights and duties set forth in section 50 of this 2025
31 Act, except as otherwise provided in section 50 of this 2025 Act;

1 (i) Vary the causes of dissolution specified in section 58 (1)(d) of this
2 2025 Act;

3 (j) Vary the requirement to wind up the limited liability company's
4 activities and affairs, as specified in section 61 (1), (2)(a) and (5) of this
5 2025 Act;

6 (k) Restrict a member's right to maintain an action under section
7 69 of this 2025 Act, except that the operating agreement may require
8 that the member must:

9 (A) Enter into mediation to resolve the dispute before bringing the
10 action or enter into arbitration in lieu of the action;

11 (B) Bring the action in a particular forum; or

12 (C) Include particular information in a demand under section 69 (1)
13 of this 2025 Act and make the demand by particular means;

14 (L) Vary the right of a member to approve a merger under section
15 98 of this 2025 Act, an interest exchange under section 104 of this 2025
16 Act, a conversion under section 110 of this 2025 Act or a domestication
17 under section 116 of this 2025 Act;

18 (m) Vary the contents required for:

19 (A) A plan of merger under section 98 of this 2025 Act;

20 (B) A plan of interest exchange under section 104 of this 2025 Act;

21 (C) A plan of conversion to a different form of entity under section
22 110 of this 2025 Act; or

23 (D) A plan of domestication under section 116 of this 2025 Act; or

24 (n) Restrict the rights under sections 1 to 125 of this 2025 Act of a
25 person other than a member or manager, except as otherwise provided
26 in sections 7 and 8 (2) of this 2025 Act.

27 (4)(a) Subject to subsection (3)(g) of this section, and without lim-
28 iting other terms that the operating agreement may include, an oper-
29 ating agreement may:

30 (A) Specify the method by which a specific act or transaction that
31 would otherwise violate the duty of loyalty may be ratified by one or

1 more disinterested and independent persons, after full disclosure of all
2 material facts;

3 (B) Alter the prohibition set forth in section 45 (1)(b) of this 2025
4 Act to require only that the limited liability company's total assets
5 are not less than the sum of the company's total liabilities;

6 (C) Limit or eliminate a member's fiduciary duty if:

7 (i) The operating agreement is for a member-managed limited li-
8 ability company; and

9 (ii) The operating agreement expressly relieves the member of a
10 responsibility the member otherwise would have under sections 1 to
11 125 of this 2025 Act and imposes the responsibility upon one or more
12 other members;

13 (D) Alter or eliminate the aspects of the duty of loyalty specified
14 in section 49 (2) and (9) of this 2025 Act, if the alteration or elimination
15 is not manifestly unreasonable;

16 (E) Identify specific types or categories of activities that do not vi-
17 olate the duty of loyalty, if the identification is not manifestly unrea-
18 sonable; and

19 (F) Alter the duty of care, if the alteration is not manifestly un-
20 reasonable, except that the alteration may not authorize conduct in-
21 volving bad faith, willful or intentional misconduct or a knowing
22 violation of the law.

23 (b) In an action involving an alteration, elimination or identifica-
24 tion described in subsection (3)(f) of this section or paragraph (a)(D),
25 (E) or (F) of this subsection, a court shall decide as a matter of law
26 whether the alteration, elimination or identification is manifestly un-
27 reasonable. The court:

28 (A) Shall afford the parties to the action a reasonable opportunity
29 to present evidence as to the context, purpose and effect of the alter-
30 ation, elimination or identification to aid the court in making a de-
31 termination;

1 (B) Shall consider in the court's determination only the circum-
2 stances that existed at the time the alteration, elimination or iden-
3 tification became part of the operating agreement; and

4 (C) May invalidate the alteration, elimination or identification only
5 if, in light of the limited liability company's purposes, activities and
6 affairs, the court determines that:

7 (i) The objective of the alteration, elimination or identification is
8 unreasonable; or

9 (ii) The alteration, elimination or identification is an unreasonable
10 means by which to achieve the limited liability company's purposes.

11 **SECTION 7. Operating Agreement; Effect on LLC and Members.**

12 (1) A limited liability company is bound by and may enforce the
13 company's operating agreement, even if the company has not mani-
14 fested assent to the operating agreement.

15 (2) A person that becomes a member is deemed to assent to a lim-
16 ited liability company's operating agreement.

17 (3) Two or more persons intending to become the initial members
18 of a limited liability company may make an agreement providing that
19 upon the formation of the company the agreement becomes the oper-
20 ating agreement.

21 (4) One person intending to become the initial member of a limited
22 liability company may assent to terms providing that upon the for-
23 mation of the limited liability company the terms become the operat-
24 ing agreement.

25 **SECTION 8. Operating Agreement; Effect on Third Parties.** (1) An
26 operating agreement may specify that amending the operating agree-
27 ment requires the approval of a person that is not a party to the op-
28 erating agreement or the satisfaction of a condition. An amendment
29 is ineffective if adopting the amendment requires the approval or sat-
30 isfaction of the condition and the amendment is adopted without the
31 approval or satisfaction of the condition.

(2) The obligations of a limited liability company and members to a person in the person's capacity as a transferee or as a person that is dissociated as a member are governed by the operating agreement. Subject only to a court order issued under section 53 (2) of this 2025 Act to effectuate a charging order, an amendment to the operating agreement that is made after a person becomes a transferee or is dissociated as a member:

(a) Is effective with regard to any debt, obligation or other liability of the limited liability company and members to the person in the person's capacity as a transferee or as a person that is dissociated as a member; and

(b) Is not effective to the extent that the amendment imposes a new debt, obligation or other liability on the transferee or the person that is dissociated as a member.

(3) If a limited liability company delivers a record to the Secretary of State for filing that becomes effective but includes a provision that would be ineffective under section 6 (3) or (4)(a)(D), (E) or (F) of this 2025 Act if the provision was included in the operating agreement, the provision is ineffective in the record.

(4) Subject to subsection (3) of this section, if a record that a limited liability company delivers to the Secretary of State for filing becomes effective and conflicts with a provision of the operating agreement:

(a) The agreement prevails as to a member, a manager, a transferee and a person that is dissociated as a member; and

(b) The record prevails as to other persons to the extent the other persons reasonably rely on the record.

SECTION 9. Nature, Purpose and Duration. (1) A limited liability company is an entity that is distinct from a member.

(2) A limited liability company may have any lawful purpose, whether for profit or not for profit.

(3) A limited liability company has perpetual duration.

SECTION 10. Purposes; Prohibition on Illegal Purposes. (1) Except as otherwise provided in the laws of this state and in this section, a limited liability company organized under sections 1 to 125 of this 2025 Act may conduct or promote any lawful business or purpose that a partnership, corporation or professional corporation, as defined in ORS 58.015, may conduct or promote, unless the limited liability company's articles of organization set forth a more limited purpose. A person may not organize a limited liability company under sections 1 to 125 of this 2025 Act for any illegal purpose or with an intent to fraudulently conceal any business activity from another person or a governmental agency.

(2) Subject to the laws of this state, to applicable rules and regulations of a regulatory board of a profession, if any, and to applicable standards of professional conduct of the profession, if any, a limited liability company or the company's members may render professional services in this state. Notwithstanding any other law, members who are professionals, as defined in ORS 58.015, and managers who are members and professionals, are personally liable as members of the limited liability company to the same extent and in the same manner as provided for shareholders of a professional corporation in ORS 58.185 and 58.187 and as otherwise provided in sections 1 to 125 of this 2025 Act.

(3) A business that is subject to regulation under other laws of this state may not be organized under sections 1 to 125 of this 2025 Act if the business is required to be organized only under the other laws.

(4) A limited liability company with a charitable purpose is a charitable organization that is subject to ORS 128.610 to 128.769, to the oversight of the Attorney General and to the same notification requirements and constraints on distributions that apply to a public benefit corporation under ORS chapter 65.

SECTION 11. Powers. A limited liability company has the capacity to sue and be sued in the company's own name and the power to do all things necessary or convenient to carry on the company's activities and affairs.

SECTION 12. Supplemental Principles of Law. Unless displaced by particular provisions of sections 1 to 125 of this 2025 Act, the principles of law and equity supplement sections 1 to 125 of this 2025 Act. Notwithstanding any provision of sections 1 to 125 of this 2025 Act, a limited liability company is liable as provided by any statute or common law for loss or injury caused as a result of a wrongful act or omission, or other conduct actionable under any statute or common law, of the limited liability company or of a member or manager. Notwithstanding any provision of sections 1 to 125 of this 2025 Act, a member or a manager of a limited liability company is liable as provided by any statute or common law for loss or injury caused as a result of a wrongful act or omission, or other conduct actionable under any statute or common law, of the member or manager.

SECTION 13. Permitted Names. (1) The name of a limited liability company must include the words "limited liability company" or the abbreviations "L.L.C." or "LLC."

(2) The name of a limited liability company or of a registered foreign limited liability company may not include the words or abbreviations "cooperative," "corporation," "corp.," "Co.," "incorporated," "Inc.," "limited partnership," "L.P.," "LP," "limited liability partnership," "L.L.P.," "LLP," "Ltd." or any derivation of the words or abbreviations specified in this subsection.

(3)(a) Except as provided in subsection (5) of this section, the name of a limited liability company and the name under which a foreign limited liability company may register to do business in this state must be distinguishable in the records of the Secretary of State from:

(A) The name of an existing person the formation of which required

the Secretary of State to file a record, if the person is not administratively dissolved at the time of the filing;

(B) The name of a limited liability partnership for which a statement of qualification is in effect;

(C) The name of a person that is registered to do business in this state as a result of the Secretary of State's filing a record;

(D) A name that a person reserved under section 14 of this 2025 Act or registered under section 15 of this 2025 Act or under another law of this state that provides for reserving or registering a name by having the Secretary of State file a record; and

(E) A name registered under ORS chapter 648.

(b) A determination as to whether a name is distinguishable in the records of the Secretary of State from a name specified in paragraph (a) of this subsection may not depend on the use or inclusion in either name the words or abbreviations "corporation," "corp.," "Co.," "incorporated," "Inc.," "professional corporation," "P.C.," "PC," "professional association," "P.A.," "PA," "limited," "Ltd.," "limited partnership," "L.P.," "LP," "limited liability partnership," "L.L.P.," "LLP," "registered limited liability partnership," "R.L.L.P.," "RLLP," "limited liability limited partnership," "L.L.L.P.," "LLLLP," "registered limited liability limited partnership," "R.L.L.L.P.," "RLLLLP," "limited liability company," "L.L.C.," "LLC," "cooperative," "limited cooperative association," "limited cooperative," "L.C.A." or "LCA."

(c) Notwithstanding the prohibition in paragraph (b) of this subsection, a person may consent in a record delivered to the Secretary of State for filing to another person's use of a name that is not distinguishable from the person's name in the records of the Secretary of State but for the use or inclusion of a word or abbreviation specified in paragraph (b) of this subsection. If the person consents as provided in this paragraph, the other person need not change the other person's name.

(4) If a person consents in a record delivered to the Secretary of State for filing to another person's use of the person's name, the other person may use the person's name if the person also submits to the Secretary of State a request to change the person's name to a different name that is distinguishable in the records of the Secretary of State as provided in subsection (3)(a) of this section.

(5) A limited liability company or foreign limited liability company may use a name that is not distinguishable in the records of the Secretary of State as provided in subsection (3)(a) of this section if the limited liability company or foreign limited liability company delivers to the Secretary of State for filing a certified copy of a final court judgment or order that establishes the limited liability company's or foreign limited liability company's right to use the name in this state.

SECTION 14. Reservation of Name. (1) A person may reserve the exclusive use of a name that complies with section 13 of this 2025 Act by delivering an application for the reservation to the Secretary of State for filing in a form the Secretary of State specifies by rule. The application must state the name and address of the applicant and the name the applicant intends to reserve. If the Secretary of State finds that the intended name is available, the Secretary of State shall, for a period of 120 days, reserve the name for the applicant's exclusive use.

(2) A person that has reserved a name under subsection (1) of this section may transfer the reservation to another person by delivering to the Secretary of State for filing a record that includes a signed notice of the transfer with the name and address of the other person to which the person transferred the reservation.

SECTION 15. Registration of Name. (1) A foreign limited liability company that is not registered to do business in this state under section 77 of this 2025 Act may register the company's name if the name is distinguishable in the records of the Secretary of State as provided in section 13 of this 2025 Act.

1 **(2)(a) To register a name as provided in subsection (1) of this sec-**
2 **tion, a foreign limited liability company shall deliver to the Secretary**
3 **of State for filing an application that:**

4 **(A) States the name of the foreign limited liability company, the**
5 **company's jurisdiction of formation and the date of formation;**

6 **(B) Describe the nature of the foreign limited liability company's**
7 **business and declare that the foreign limited liability company is not**
8 **currently doing business in this state; and**

9 **(C) Include a certificate of existence or a document of similar legal**
10 **effect that was valid within the 60 days before the date of the appli-**
11 **cation and that is duly authenticated by the official that has custody**
12 **of the records of limited liability company registrations in the foreign**
13 **limited liability company's jurisdiction of formation. A foreign limited**
14 **liability company need not submit a certificate of existence or equiv-**
15 **alent document if the official provides free access via the Internet to**
16 **a searchable database that has evidence of limited liability company**
17 **registrations.**

18 **(b) If the Secretary of State finds that the name for which a foreign**
19 **limited liability company applied for registration under paragraph (a)**
20 **of this subsection is available, the Secretary of State shall register the**
21 **name for the applicant's exclusive use.**

22 **(3)(a) The registration of a name under this section is effective for**
23 **one year after the date of registration.**

24 **(b) A foreign limited liability company with a name registration**
25 **that is effective under this section may renew the registration for**
26 **successive one-year periods by delivering, not earlier than three**
27 **months before the expiration of the registration, a renewal application**
28 **to the Secretary of State for filing. The renewal is effective on the date**
29 **on which the Secretary of State files the renewal application. The re-**
30 **newed registration expires one year after the renewal application's**
31 **filing date.**

(4) A foreign limited liability company may use the name that the Secretary of State registered under subsection (2)(b) of this section to register under section 77 of this 2025 Act.

(5) A foreign limited liability company with an effective name registration may consent in a signed record to the use of the name by another person that is not an individual. To consent to the use, the foreign limited liability company shall deliver to the Secretary of State for filing a record that includes a signed notice of the consent with the name and address of the person to which the foreign limited liability company gave consent.

SECTION 16. Registered Agent. (1) Each limited liability company and each registered foreign limited liability company shall designate and maintain a registered agent in this state. The designation of a registered agent is an affirmation of fact by the limited liability company or registered foreign limited liability company that the registered agent has consented to serve.

(2) A registered agent for a limited liability company or registered foreign limited liability company must have a place of business in this state that is located at a physical street address at which process may be personally served on the registered agent. The registered agent's office may not be a commercial mail receiving agency, a mail forwarding business or a virtual office.

(3) Compliance with sections 1 to 125 of this 2025 Act requires of a registered agent only the following duties:

(a) To forward to a limited liability company or registered foreign limited liability company any process, notice or demand that is received by or served on the registered agent to the address for forwarding that the limited liability company or registered foreign limited liability company most recently supplied to the registered agent.

(b) To provide the notice required under section 18 (3) of this 2025 Act to the limited liability company or registered foreign limited li-

1 ability company at the address most recently supplied to the registered
2 agent by the limited liability company or registered foreign limited li-
3 ability company, if the registered agent resigns.

4 (c) To keep current the information with respect to the registered
5 agent in the articles of organization or in the registration statement,
6 in accordance with section 19 of this 2025 Act.

7 **SECTION 17. Change of Registered Agent or Address for Registered**
8 **Agent by LLC.** (1) A limited liability company or registered foreign
9 limited liability company may change the company's registered agent
10 or may change the address of the company's registered agent by:

11 (a) Delivering to the Secretary of State for filing or, if required, to
12 the appropriate government official of another jurisdiction, a state-
13 ment of change that states:

14 (A) The name of the limited liability company or registered foreign
15 limited liability company; and

16 (B) The name and address of the new registered agent or the new
17 address of the existing registered agent; or

18 (b) Amending the limited liability company's articles of organiza-
19 tion or the registered foreign limited liability company's registration
20 statement to record current information for the registered agent.

21 (2) A statement of change under this section designating a new
22 registered agent is an affirmation of fact by the limited liability com-
23 pany or registered foreign limited liability company that the new reg-
24 istered agent has consented to serve.

25 (3) Replacing a registered agent or changing the registered agent's
26 address under subsection (1)(a) of this section does not require the
27 approval of the members or managers of a limited liability company
28 or registered foreign limited liability company.

29 **SECTION 18. Resignation of a Registered Agent.** (1) A registered
30 agent may resign as a registered agent for a limited liability company
31 or registered foreign limited liability company by delivering to the

1 Secretary of State for filing a statement of resignation that states:

2 (a) The registered agent's name and address;

3 (b) The name and address of the limited liability company or reg-
4 istered foreign limited liability company for which the registered agent
5 currently serves as a registered agent;

6 (c) That the registered agent resigns from serving as registered
7 agent for the limited liability company or registered foreign limited
8 liability company; and

9 (d) The address to which the registered agent will send the notice
10 required under subsection (3) of this section.

11 (2) A statement of resignation takes effect on the earlier of:

12 (a) The 31st day after the date on which the Secretary of State files
13 the statement; or

14 (b) The date on which a limited liability company or registered
15 foreign limited liability company designates a new registered agent.

16 (3) A registered agent that resigns shall promptly deliver to the
17 limited liability company or registered foreign limited liability com-
18 pany notice in a record of the date on which a statement of resigna-
19 tion was filed.

20 (4) A registered agent may resign as the registered agent for a
21 limited liability company or registered foreign limited liability com-
22 pany whether the limited liability company or the registered foreign
23 limited liability company is in good standing.

24 (5) When a statement of resignation takes effect, the registered
25 agent ceases to have responsibility under sections 1 to 125 of this 2025
26 Act for any matter tendered to the registered agent as the registered
27 agent for a limited liability company or registered foreign limited li-
28 ability company, except that the resignation does not affect any con-
29 tractual rights that the limited liability company or registered foreign
30 limited liability company has against the registered agent or that the
31 registered agent has against the limited liability company or registered

foreign limited liability company.

SECTION 19. Change of Name or Address by Registered Agent. (1)

If a registered agent changes the registered agent's name or address, the registered agent may deliver to the Secretary of State for filing a statement of change that states:

(a) The name and address of the limited liability companies or registered foreign limited liability companies for which the registered agent serves as a registered agent;

(b) The name of the registered agent as currently shown in the records of the Secretary of State;

(c) The new name of the registered agent, if the name of the registered agent has changed; and

(d) The new address of the registered agent, if the address of the registered agent has changed.

(2) A new address for a registered agent must comply with the requirements set forth in section 16 (2) of this 2025 Act.

(3) A registered agent shall promptly deliver notice to the limited liability companies or registered foreign limited liability companies for which the registered agent serves as a registered agent of the filing by the Secretary of State of the statement of change and the changes made by the statement.

SECTION 20. Service of Process, Notice or Demand. (1) A limited liability company or registered foreign limited liability company may be served with any process, notice or demand required or permitted by law by serving the registered agent of the limited liability company or registered foreign limited liability company.

(2) If a limited liability company or registered foreign limited liability company ceases to have a registered agent or if the registered agent cannot with reasonable diligence be served, the limited liability company or registered foreign limited liability company may be served by registered or certified mail, return receipt requested, or by a simi-

lar commercial delivery service, addressed to the principal office of the limited liability company or registered foreign limited liability company as shown in the most recent annual report of the limited liability company or registered foreign limited liability company filed by the Secretary of State.

(3) Service is effected under this section on the earliest of:

(a) The date the limited liability company or registered foreign limited liability company receives the process, notice or demand from the United States Postal Service or the commercial delivery service;

(b) The date shown on the return receipt, if the limited liability company or registered foreign limited liability company signed the return receipt; or

(c) Five days after the process, notice or demand is deposited with the United States Postal Service or a commercial delivery service, if the process, notice or demand is correctly addressed with sufficient postage or payment.

(4) If a service of process, notice or demand cannot be served on a limited liability company or registered foreign limited liability company under subsection (1) or (2) of this section, the limited liability company or registered foreign limited liability company may be served by:

(a) Handing a copy of the process, notice or demand to the individual who is in charge of any regular place of business or activity of the limited liability company or registered foreign limited liability company, if the individual served is not a plaintiff in the action;

(b) Delivering the process, notice or demand to the Secretary of State, who is the registered agent of the limited liability company or registered foreign limited liability company for this purpose; or

(c) Other means provided by law other than sections 1 to 125 of this 2025 Act.

(5) Service of process, notice or demand must be in a written re-

cord.

SECTION 21. Delivery of Record. (1) Except as otherwise provided in sections 1 to 125 of this 2025 Act, permissible means of delivery of a record include delivery by hand, by mail, by conventional commercial practice or by electronic transmission.

(2) Delivery to the Secretary of State is effective only when the Secretary of State receives the record.

NOTE: Section 22 was deleted. Subsequent sections were not renumbered.

ENFORCEMENT POWERS OF THE SECRETARY OF STATE

SECTION 23. Investigations of Violations of Chapter; Confidentiality; Penalties; Administrative Dissolution; Rules. (1)(a) The Secretary of State may investigate an alleged or potential violation of sections 1 to 125 of this 2025 Act and, in the course of the investigation or in response to a request from a law enforcement agency, may order a limited liability company to:

(A) Prepare and submit to the Secretary of State within 30 days the list described in section 50 (1)(a)(J) of this 2025 Act; and

(B) Answer within 30 days any interrogatory that is related to an alleged or potential violation of sections 1 to 125 of this 2025 Act that the Secretary of State submits to the limited liability company.

(b) Notwithstanding the provisions of ORS 192.311 to 192.478, the list described in paragraph (a)(A) of this subsection and information that the Secretary of State obtains from an interrogatory under paragraph (a)(B) of this subsection is not subject to public disclosure. The Secretary of State may provide a law enforcement agency with the list described in paragraph (a)(A) of this subsection and information the Secretary of State obtains from an interrogatory under paragraph (a)(B) of this subsection.

(2)(a) If a limited liability company fails to comply with an order

1 from the Secretary of State under subsection (1) of this section, the
2 Secretary of State may:

3 (A) Impose a civil penalty on the limited liability company in ac-
4 cordance with ORS 183.745;

5 (B) Cancel or revoke an organization, or revoke a foreign limited
6 liability company's authorization to do business in this state, after
7 conducting a hearing under ORS 183.413 to 183.470; or

8 (C) Administratively dissolve the limited liability company in ac-
9 cordance with section 66 of this 2025 Act.

10 (b) The Secretary of State shall provide in an order that imposes a
11 civil penalty under paragraph (a)(A) of this subsection that the civil
12 penalty is not due and payable until after the order becomes final fol-
13 lowing any appeal of the order or, if an appeal does not occur, after
14 the order becomes final by operation of law.

15 (3)(a) The Director of the Department of Revenue may recommend
16 to the Secretary of State that the Secretary of State administratively
17 dissolve a limited liability company for a failure to comply with the
18 tax laws of the state, but the director may not recommend adminis-
19 trative dissolution if the director has allowed an appeal of the limited
20 liability company's tax liability, or of another action of the Depart-
21 ment of Revenue related to the limited liability company's failure to
22 comply with the tax laws of the state, or if an appeal is pending. If the
23 Secretary of State agrees with the director, the Secretary of State may
24 dissolve the limited liability company under section 66 of this 2025 Act.

25 (b) The Secretary of State, in consultation with the department,
26 may specify what constitutes a failure to comply with the tax laws of
27 the state for the purposes set forth in paragraph (a) of this subsection.

28 (4) The Secretary of State may not reinstate a limited liability
29 company that was administratively or judicially dissolved unless, as
30 appropriate:

31 (a) The limited liability company complies with the Secretary of

1 State's order under subsection (1) of this section;

2 (b) A law enforcement agency that has completed an investigation
3 of the limited liability company for which the Secretary of State can-
4 celed or revoked organization or revoked an authorization to transact
5 business in this state recommends that the Secretary of State allow
6 the organization or reinstatement;

7 (c) A court order compels a reinstatement; or

8 (d) The department recommends a reinstatement.

9 (5) A limited liability company may appeal in accordance with ORS
10 183.480 to 183.500 an order the Secretary of State issues or an action
11 the Secretary of State takes under this section.

12 (6) The Secretary of State and the director may each adopt rules
13 to implement the provisions of this section.

14
15 ORGANIZATION

16
17 SECTION 24. Formation of Limited Liability Company. (1)(a) One
18 or more persons may act as organizers to form a limited liability
19 company by delivering to the Secretary of State for filing articles of
20 organization. The articles of organization must state:

21 (A) The name of the limited liability company, which must comply
22 with section 13 of this 2025 Act;

23 (B) The name and address of each organizer;

24 (C) The initial physical street address, including the number and
25 name of the street, and the mailing address, if the mailing address is
26 different, for the limited liability company's principal office;

27 (D) The name and address of at least one individual who is a
28 member or manager, or an authorized representative, with direct
29 knowledge of the operations and business activities of the limited li-
30 ability company;

31 (E) The name and the physical street address, including the number

1 and name of the street, and the mailing address, if the mailing address
2 is different, for the limited liability company's registered agent; and

3 (F) The nature of any professional service, as defined in ORS 58.015,
4 that the limited liability company will render, if the limited liability
5 company will render a professional service.

6 (b) A person may not organize a limited liability company under
7 sections 1 to 125 of this 2025 Act for any illegal purpose or with an
8 intent to fraudulently conceal any business activity from another
9 person or a governmental agency.

10 (2)(a) Articles of organization may include statements as to matters
11 other than the statements required under subsection (1) of this sec-
12 tion, but the other statements may not vary or otherwise affect the
13 provisions of an operating agreement for the limited liability company
14 in a manner that is inconsistent with the requirements of section 6 (3)
15 of this 2025 Act.

16 (b) A statement included in articles of organization is not effective
17 as a statement of authority.

18 (3) A limited liability company is organized when the articles of
19 organization become effective.

20 SECTION 25. Amendment or Restatement of Articles of Organiza-
21 tion. (1) A limited liability company may amend or restate the
22 company's articles of organization at any time.

23 (2) To amend articles of organization, the limited liability company
24 shall deliver to the Secretary of State for filing a record that states:

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

26 (b) The date of filing of the initial articles of organization; and

27 (c) The text of the amendment.

28 (3) To restate articles of organization, a limited liability company
29 shall deliver to the Secretary of State for filing a record that in the
30 title or heading indicates that the record is a restatement.

31 (4) If a member of a member-managed limited liability company or

1 a manager of a manager-managed limited liability company knows
2 that any information in filed articles of organization was inaccurate
3 when the articles were filed or has become inaccurate since the date
4 of filing because of changed circumstances, the member or manager
5 shall promptly:

6 (a) Cause the articles of organization to be amended as provided in
7 subsection (2) of this section; or

8 (b) Deliver to the Secretary of State for filing a statement of
9 change, as provided in section 17 of this 2025 Act or a statement of
10 correction under section 32 of this 2025 Act, as appropriate.

11 SECTION 26. Signing of Records to be Delivered for Filing to Sec-
12 retary of State. (1) Except as otherwise provided in sections 1 to 125
13 of this 2025 Act, a record that must be delivered to the Secretary of
14 State for filing under sections 1 to 125 of this 2025 Act must be signed
15 as follows:

16 (a) At least one of the persons that intend to organize a limited li-
17 ability company must sign the company's initial articles of organiza-
18 tion.

19 (b) At least one member or manager must sign any amendment to
20 the articles of organization and must sign the limited liability
21 company's annual report.

22 (c) A receiver, trustee or other court-appointed fiduciary must sign
23 a record on behalf of a limited liability company that the receiver,
24 trustee or fiduciary controls.

25 (2) Records other than records described in subsection (1) of this
26 section that are delivered to the Secretary of State for filing under
27 sections 1 to 125 of this 2025 Act must be signed as follows:

28 (a) Except for a record described in paragraph (b) of this subsection,
29 a record that a limited liability company signs must be signed by a
30 person that the company has authorized to sign the record.

31 (b) A person that under section 61 (3) or (4) of this 2025 Act winds

up, or is appointed to wind up, the activities and affairs of a dissolved limited liability company without members must sign a record delivered on behalf of the dissolved limited liability company.

(c) A statement of denial by a person under section 38 of this 2025 Act must be signed by the person.

(3) Except as otherwise provided in subsections (1) and (2) of this section, a person that on the person's own behalf delivers a record to the Secretary of State for filing must sign the record.

(4)(a) An agent or legal representative of a person described in this section may sign a record on behalf of the person if the person authorizes the agent or legal representative to sign the record. An agent or legal representative that signs a record under this subsection affirms as a fact that the agent or legal representative is authorized to sign the record.

(b) If under sections 1 to 125 of this 2025 Act a particular individual must sign a record and the individual is deceased or incompetent, a legal representative of the individual may sign the record.

(5) A person that signs a record that is delivered to the Secretary of State for filing, under penalty of perjury:

(a) Shall:

(A) Sign below a written declaration that states that the record does not fraudulently conceal, fraudulently obscure, fraudulently alter or otherwise misrepresent the identity of the person signing the record or of any of the members, managers, employees or agents of the limited liability company on behalf of which the person signs the record; and

(B) State beneath or opposite the signature the person's name and the capacity in which the person signs.

(b) Affirms that the information in the record is accurate.

SECTION 27. Signing and Filing Pursuant to Judicial Order. (1) If a person required under sections 1 to 125 of this 2025 Act to sign or

1 deliver a record to the Secretary of State for filing does not sign or
2 deliver the record, any other person that is aggrieved by the failure
3 to sign or deliver the record may petition a state or federal court of
4 competent jurisdiction to:

5 (a) Order the person to sign or deliver the record to the Secretary
6 of State for filing; or

7 (b) Order the Secretary of State to file the record unsigned.

8 (2) If the petitioner under subsection (1) of this section is not the
9 limited liability company or foreign limited liability company to which
10 the record pertains, the petitioner shall make the limited liability
11 company or foreign limited liability company a party to the action.

12 (3) A record filed under subsection (1)(b) of this section is effective
13 without a signature.

14 **SECTION 28. Liability for Inaccurate Information in Filed Record.**

15 (1) If the Secretary of State files a record containing inaccurate in-
16 formation, a person that suffers a loss because of the person's rea-
17 sonable reliance on the information in the record may recover
18 damages for the loss from:

19 (a) A person that signed the record, or caused another person to
20 sign on the person's behalf, and knew that the information was inac-
21 curate at the time the record was signed; or

22 (b) Subject to subsection (3) of this section, a member of a
23 member-managed limited liability company or a manager of a
24 manger-managed limited liability company if:

25 (A) The record was delivered for filing on behalf of the limited li-
26 ability company; and

27 (B) The member or manager knew or had notice of the inaccuracy
28 for a reasonably sufficient time before the aggrieved information was
29 relied upon so that, before the reliance, the member or manager could
30 have:

31 (i) Amended the record under section 25 of this 2025 Act;

1 (ii) Filed a petition under section 27 of this 2025 Act; or

2 (iii) Delivered to the Secretary of State for filing a statement of
3 change under section 17 of this 2025 Act or a statement of correction
4 under section 32 of this 2025 Act.

5 (2) To the extent that the operating agreement for a member-
6 managed limited liability company expressly relieves a member of re-
7 sponsibility for maintaining the accuracy of information in records
8 delivered on behalf of the limited liability company to the Secretary
9 of State for filing under sections 1 to 125 of this 2025 Act and imposes
10 the responsibility on one or more other members, the liability de-
11 scribed in subsection (1)(b) of this section applies to the other mem-
12 bers and not to the member that the operating agreement relieves of
13 the responsibility.

14 (3) An individual who signs a record authorized or required to be
15 filed under sections 1 to 125 of this 2025 Act affirms under penalty of
16 perjury that the information stated in the record is accurate.

17 **SECTION 29. Filing Requirements.** (1) For the Secretary of State
18 to file a record under sections 1 to 125 of this 2025 Act:

19 (a) The Secretary of State must receive the record in writing via
20 physical delivery or, if the Secretary of State permits electronic de-
21 livery, via electronic delivery in accordance with requirements the
22 Secretary of State specifies;

23 (b) Sections 1 to 125 of this 2025 Act must require or permit filing
24 the record;

25 (c) The words in the record must be legible and in the English lan-
26 guage and any numbers in the record must be Arabic or Roman nu-
27 merals, except that the name of an entity in the record need not be
28 in English if the name is written using the Roman alphabet and Arabic
29 or Roman numerals;

30 (d) A person authorized or required to sign the record under
31 sections 1 to 125 of this 2025 Act must sign the record as provided in

section 26 (5) of this 2025 Act;

(e) Any fee the Secretary of State or a law of this state requires for filing the record must be paid in a manner that the Secretary of State or the applicable law permits; and

(f) The record must otherwise comply with sections 1 to 125 of this 2025 Act.

(2)(a) The Secretary of State may prescribe a form or a cover sheet for a record that sections 1 to 125 of this 2025 Act require or permit to be delivered for filing. Unless the Secretary of State specifies that the form or cover sheet is mandatory, a record delivered for filing need not use the form or cover sheet.

(b) If the Secretary of State prescribes a mandatory form or cover sheet for a record, including an electronic form or cover sheet, a record delivered to the Secretary of State for filing must be in or on the prescribed form or must include the prescribed cover sheet. The Secretary of State shall make versions of the form or cover sheet available in at least the five languages that are most commonly spoken and written in this state by persons with limited proficiency in the English language. Each version of the form or cover sheet must include an English translation of the form's contents.

(c) For the purposes described in paragraph (b) of this subsection, the Secretary of State shall specify Spanish, Chinese, Vietnamese, Russian and Korean as the five languages that are most commonly spoken and written in this state by persons with limited proficiency in the English language. The Secretary of State shall review the specification in this paragraph after the completion of the 2030 United States Census and each subsequent decennial census and shall recommend in a report to the Joint Committee on Ways and Means any changes in the specification that the Secretary of State deems necessary. The Secretary of State may change the specification only after receiving the approval of the Legislative Assembly and an appropri-

ation in an amount that is sufficient to pay the costs of updating each version of the mandatory form or cover sheet and any system the Secretary of State uses to process the mandatory form or cover sheet.

(d) If a person completes with, or attaches to, a form or cover sheet described in paragraphs (b) or (c) of this subsection information written in a language other than English, the person shall submit a reasonably authenticated English translation of the information along with the form or cover sheet.

(3) Notwithstanding the requirement set forth in subsection (1)(c) of this section, articles of organization may be written in a language other than English if a reasonably authenticated English translation accompanies the articles of organization.

(4) A record that a person delivers to the Secretary of State for filing may include a seal, attestation, acknowledgment or verification.

SECTION 30. Effective Date and Time. (1) Except as otherwise provided in section 31 of this 2025 Act and subject to section 32 of this 2025 Act, a record filed under sections 1 to 125 of this 2025 Act is effective:

(a) On the date the Secretary of State files the record, as provided in section 33 (2) of this 2025 Act, and at the time specified in the record as the effective time, or at 12:01 a.m. on the date the Secretary of State files the record, if the record does not specify an effective time;

(b) At a specified delayed effective date and time; or

(c) At 12:01 a.m. on the specified delayed effective date, if the record specifies a delayed effective date but not a specific time.

(2) A delayed effective date under subsection (1)(b) or (c) of this section may not be more than 90 days after the filing date.

SECTION 31. Withdrawal of Filed Record Before Effectiveness. (1) Except as otherwise provided in sections 100, 106, 112 and 118 of this 2025 Act, a record delivered to the Secretary of State for filing may be withdrawn before the record becomes effective by delivering to the

1 **Secretary of State for filing a statement of withdrawal that:**

2 **(a) Is signed by each person that signed the record that is to be**
3 **withdrawn, unless the persons agree otherwise;**

4 **(b) Identifies the record that is to be withdrawn; and**

5 **(c) States that the record is withdrawn in accordance with the**
6 **agreement of all of the persons that signed the record, if fewer persons**
7 **sign the statement of withdrawal than signed the record.**

8 **(2) Once the Secretary of State files the statement of withdrawal,**
9 **the action or transaction for which the originally filed record was ev-**
10 **idence does not become effective.**

11 **SECTION 32. Correcting Filed Record. (1) A person may correct a**
12 **record that was delivered to the Secretary of State for filing if the**
13 **record was delivered for filing on the person's behalf and:**

14 **(a) The record at the time of filing was inaccurate;**

15 **(b) The record was defectively signed; or**

16 **(c) The electronic transmission of the record to the Secretary of**
17 **State was defective.**

18 **(2)(a) To correct a filed record, a person on whose behalf the record**
19 **was delivered to the Secretary of State must deliver to the Secretary**
20 **of State for filing a statement of correction that:**

21 **(A) Is signed by the person that is correcting the record;**

22 **(B) Identifies the filed record that is to be corrected;**

23 **(C) Specifies the inaccuracy or defect that is to be corrected; and**

24 **(D) Corrects the inaccuracy or defect.**

25 **(b) A statement of correction may not specify a delayed effective**
26 **date.**

27 **(3) A statement of correction is effective as of the effective date of**
28 **the filed record that the statement corrects, except that the statement**
29 **of correction is effective upon filing for purposes of section 4 (4) of this**
30 **2025 Act and as to a person that reasonably relies on the uncorrected**
31 **record and is adversely affected by the correction.**

SECTION 33. Duty of Secretary of State to File; Review of Refusal to File; Delivery of Record by Secretary of State. (1) The Secretary of State shall file a record delivered to the Secretary of State for filing that complies with the requirements of sections 1 to 125 of this 2025 Act or other applicable law. The Secretary of State's duty under this section is ministerial.

(2)(a) When the Secretary of State files a record, the Secretary of State shall acknowledge that the record is filed on the date of delivery or as soon as practicable after the date of delivery.

(b) After filing a record, the Secretary of State shall provide to the person that delivered the record for filing a copy of the record on or attached to which appears a written acknowledgment of the date of filing.

(c) If the record the Secretary of State files is a statement of denial, in addition to providing a copy of the record as described in paragraph (b) of this subsection, the Secretary of State shall provide to the limited liability company to which the statement pertains a copy of the record and the acknowledgment.

(3)(a) If the Secretary of State refuses to file a record, the Secretary of State shall, not later than 10 business days after the record is delivered for filing:

(A) Return the record or notify the person that delivered the record for filing of the refusal; and

(B) Provide a brief explanation in a record of the reason for the refusal.

(b) In addition to seeking any other legal remedy available, a limited liability company or registered foreign limited liability company may appeal under ORS 183.413 to 183.497 the Secretary of State's refusal to file a record.

(4) The Secretary of State's filing or refusing to file a record does not:

1 (a) Affect the validity or invalidity of the record in whole or in part;
2 or

3 (b) Create a presumption that the information in the record is ac-
4 curate or inaccurate.

5 (5) Except as otherwise provided in section 20 of this 2025 Act or in
6 other applicable law, the Secretary of State may deliver any record to
7 a person by delivering the record:

8 (a) In person to the person that delivered the record for filing;

9 (b) To the address of the person's registered agent;

10 (c) To the address of the person's principal office; or

11 (d) To another address that the person that delivered the record for
12 filing provides to the Secretary of State.

13 SECTION 34. Certificate of Existence or Authorization. (1) The
14 Secretary of State shall issue a certificate of existence for a limited
15 liability company or a certificate of authorization to do business in
16 this state for a registered foreign limited liability company to any
17 person that requests the certificate.

18 (2) A certificate that the Secretary of State issues under subsection
19 (1) of this section is valid if the certificate:

20 (a) Displays the name of the limited liability company or the name
21 that the registered foreign limited liability company uses in this state;

22 (b) States, for a limited liability company, that:

23 (A) Articles of organization were filed and are in effect;

24 (B) A statement of dissolution, statement of administrative dissol-
25 ution or statement of termination has not been filed and the records
26 of the Secretary of State do not otherwise reflect that the limited li-
27 ability company is dissolved or was terminated; and

28 (C) A proceeding to administratively dissolve the limited liability
29 company is not pending under section 66 of this 2025 Act;

30 (c) Displays the date on which the limited liability company's arti-
31 cles of organization became effective;

(d) States, for a registered foreign limited liability company, that the registered foreign limited liability company is registered to do business in this state;

(e) States that the limited liability company or registered foreign limited liability company has paid all fees owed to the state that the Secretary of State is responsible for collecting, if:

(A) The records of the Secretary of State reflect the payment; and

(B) A failure to pay affects the existence or registration of the limited liability company or registered foreign limited liability company; and

(f) States that the most recent annual report required from the limited liability company or registered foreign limited liability company under section 35 of this 2025 Act was delivered to the Secretary of State for filing.

(3) A certificate of existence or certificate of authorization that the Secretary of State issues under subsection (1) of this section is conclusive evidence of the facts described in subsection (2) of this section, unless the certificate states otherwise.

SECTION 35. Annual Report for Secretary of State. (1)(a) A domestic limited liability company or a registered foreign limited liability company shall deliver to the Secretary of State for filing an annual report that sets forth:

(A) The name of the limited liability company or registered foreign limited liability company and the state or country under the laws of which the registered foreign limited liability company is organized;

(B) The address of the limited liability company's or registered foreign limited liability company's registered office in this state and the name of the registered agent at the registered office;

(C) The address and mailing address, if the mailing address is different, of the limited liability company's or registered foreign limited liability company's principal office;

1 (D) The names and addresses of the managers of a manager-
2 managed limited liability company or registered foreign limited liabil-
3 ity company or the name and address of at least one member of a
4 member-managed limited liability company or registered foreign lim-
5 ited liability company;

6 (E) A description of the primary business activity of the limited li-
7 ability company; and

8 (F) Additional identifying information that the Secretary of State
9 requires by rule.

10 (b) Each address that under paragraph (a) of this subsection must
11 be set forth in an annual report must be a physical address that in-
12 cludes the number and street name.

13 (2)(a) A limited liability company or registered foreign limited li-
14 ability company shall deliver the annual report to the Secretary of
15 State for filing on or before the date each year that is exactly one or
16 more years after the date on which the Secretary of State filed the
17 articles of organization for a limited liability company or the regis-
18 tration statement for a registered foreign limited liability company.

19 (b) Information in an annual report must be current as of 30 days
20 before the date on which the limited liability company or registered
21 foreign limited liability company delivers the annual report to the
22 Secretary of State for filing in accordance with paragraph (a) of this
23 subsection.

24 (3) The Secretary of State shall mail an annual report form to any
25 address shown for the limited liability company or registered foreign
26 limited liability company in the current records of the Secretary of
27 State. At a minimum, the annual report form must explain the re-
28 quirements set forth in this section for the annual report. A limited
29 liability company's or registered foreign limited liability company's
30 failure to receive an annual report form from the Secretary of State
31 does not relieve the limited liability company or registered foreign

1 limited liability company of the duty under this section to deliver an
2 annual report to the Secretary of State for filing.

3 (4) If an annual report does not have the information this section
4 requires, the Secretary of State shall notify the limited liability com-
5 pany or registered foreign limited liability company in writing and
6 return the annual report for correction. The limited liability company
7 or registered foreign limited liability company must correct the error
8 within 45 days after the Secretary of State gives the notice.

9 (5)(a) A limited liability company or registered foreign limited li-
10 ability company may update information in an annual report filing at
11 any time by delivering to the Secretary of State for filing:

12 (A) An amendment to the annual report, if a change in the infor-
13 mation set forth in the annual report occurs after the report was de-
14 livered to the Secretary of State for filing and before the date on which
15 the next annual report is due from the limited liability company or
16 registered foreign limited liability company; or

17 (B) A statement with the change if the update occurs before the
18 limited liability company or registered foreign limited liability com-
19 pany files a first annual report.

20 (b) This subsection does not apply to an update of information that
21 requires an amendment to a limited liability company's articles of or-
22 ganization or to a registered foreign limited liability company's state-
23 ment of registration.

24 (c) An amendment to the annual report under paragraph (a)(A) of
25 this subsection must set forth:

26 (A) The name of the limited liability company or the registered
27 foreign limited liability company as shown in the records of the Sec-
28 retary of State; and

29 (B) The information as updated.

30
31 **RELATIONS OF MEMBERS AND MANAGERS TO PERSONS**

1 **DEALING WITH A LIMITED LIABILITY COMPANY**

2
3 **SECTION 36. Agency of Managers and Members; Authority to**
4 **Transfer Interest in Real Property; Agency of Managers and Members**
5 **After Dissolution; Liability.** (1) Subject to subsections (2) and (3) of
6 **this section:**

7 (a) Each member is an agent of a limited liability company for the
8 purpose of the limited liability company's business. An act of a mem-
9 ber, including signing an instrument in the limited liability company's
10 name, that apparently carries on the business of the limited liability
11 company in the ordinary course, or carries on business of the kind the
12 limited liability company carries on, binds the limited liability com-
13 pany, unless the member had no authority to act for the limited li-
14 ability company in the particular matter and the person with whom
15 the member was dealing knew or had notice that the member lacked
16 authority.

17 (b) An act of a member that does not apparently carry on the
18 business of the limited liability company in the ordinary course, or
19 carry on business of the kind the limited liability company carries on,
20 binds the limited liability company only if the other members author-
21 ized the act.

22 (2) Subject to subsection (3) of this section, in a manager-managed
23 limited liability company:

24 (a) A member is not an agent of the limited liability company for
25 the purpose of the limited liability company's business solely by reason
26 of being a member. Each manager is an agent of the limited liability
27 company for the purpose of the limited liability company's business.
28 An act of a manager, including signing an instrument in the limited
29 liability company's name, that apparently carries on the business of
30 the limited liability company in the ordinary course, or carries on
31 business of the kind the limited liability company carries on, binds the

1 limited liability company, unless the manager had no authority to act
2 for the limited liability company in the particular matter and the
3 person with whom the manager was dealing knew or had notice that
4 the manager lacked authority.

5 (b) An act of a manager that does not apparently carry on the
6 business of the limited liability company in the ordinary course, or
7 carry on business of the kind the limited liability company carries on,
8 binds the limited liability company only if the act was authorized un-
9 der section 37 of this 2025 Act.

10 (3) Unless the articles of organization limit the authority of mem-
11 bers, any member of a member-managed limited liability company or
12 manager of a manager-managed limited liability company may sign
13 and deliver any instrument that transfers or affects the limited li-
14 ability company's interest in real property. The instrument is conclu-
15 sive in favor of a person who gives value without knowledge that the
16 person signing and delivering the instrument lacks authority.

17 (4) Except as provided in subsections (5) and (6) of this section, and
18 except as otherwise provided in the articles of organization or any
19 operating agreement, after dissolution of the limited liability company,
20 each member of a member-managed limited liability company and
21 each manager of a manager-managed limited liability company can
22 bind the limited liability company:

23 (a) By any act or omission appropriate for winding up the limited
24 liability company's affairs or completing transactions unfinished at
25 dissolution; and

26 (b) By any transaction that would have bound the limited liability
27 company if it had not been dissolved, if the other party to the trans-
28 action does not have actual notice of the dissolution.

29 (5) An act or omission of a member or manager that would not be
30 binding on the limited liability company pursuant to subsection (1) of
31 this section is binding if it is otherwise authorized or ratified by the

1 **limited liability company.**

2 **(6) An act or omission of a member or manager that would be**
3 **binding on the limited liability company under subsection (4) of this**
4 **section or that otherwise would be authorized, but that is in**
5 **contravention of a restriction on the authority of the member or**
6 **manager, shall not bind the limited liability company to persons hav-**
7 **ing knowledge of the restriction.**

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

13 **(8) A person's status as a member or a manager does not prevent**
14 **or restrict any law other than sections 1 to 125 of this 2025 Act from**
15 **imposing liability on a limited liability company because of the con-**
16 **duct of the person.**

17 **SECTION 37. Statement of Limited Liability Company Authority.**

18 **(1) A limited liability company may deliver to the Secretary of State**
19 **for filing a statement of authority. The statement:**

20 **(a) Must include the name of the limited liability company and the**
21 **name and address, or mailing address, of the company's registered**
22 **agent. Each address must be a physical address that includes the**
23 **number and street name.**

24 **(b) May state the authority, or limitations on the authority, of the**
25 **limited liability company, of all persons that hold any position that**
26 **exists in the limited liability company, or of any specific person, to:**

27 **(A) Sign an instrument that transfers real property held in the**
28 **name of the limited liability company; or**

29 **(B) Enter into other transactions on behalf of, or otherwise act for**
30 **or bind, the limited liability company.**

31 **(2) To amend or cancel a statement of authority the Secretary of**

1 State has filed, the limited liability company shall deliver to the Sec-
2 retary of State for filing a record that includes all of the following
3 information:

4 (a) The name of the limited liability company and the name and
5 address, or mailing address, of the company's registered agent. Each
6 address must be a physical address that includes the number and
7 street name.

8 (b) The date on which the Secretary of State filed the original
9 statement of authority.

10 (c) The text of the amendment or a declaration that the statement
11 of authority is canceled.

12 (3) A statement of authority affects only the power a person has to
13 bind a limited liability company to persons that are not members.

14 (4) Subject to subsection (3) of this section and section 4 (4) of this
15 2025 Act, and except as provided in subsections (6), (7) and (8) of this
16 section, a limitation in an effective statement of authority on the au-
17 thority of a person or of a position within a limited liability company
18 is not by itself evidence of any person's knowledge or notice of the
19 limitation.

20 (5) Subject to subsection (3) of this section, if an effective statement
21 of authority grants authority that does not pertain to transfers of real
22 property, the grant is conclusive in favor of a person that gives value
23 in reliance on the grant, except to the extent that when the person
24 gives value:

25 (a) The person has knowledge to the contrary;

26 (b) The limited liability company has canceled or restrictively
27 amended the statement of authority under subsection (2) of this sec-
28 tion; or

29 (c) A limitation on the grant is in another statement of authority
30 that became effective after the statement of authority with the grant
31 became effective.

(6) Subject to subsection (3) of this section, if an effective statement of authority grants authority to transfer real property held in the name of a limited liability company and a certified copy of the statement of authority is recorded with a county clerk as provided in ORS 205.180, the grant is conclusive in favor of a person that gives value in reliance on the grant without knowledge to the contrary, except to the extent that when the person gives value:

(a) The limited liability company has canceled or restrictively amended the statement of authority under subsection (2) of this section and a certified copy of the cancellation or restrictive amendment is recorded with a county clerk as provided in ORS 205.180; or

(b) A limitation on the grant is in another statement of authority that became effective after the statement of authority with the grant became effective and a certified copy of the other statement of authority is recorded with a county clerk as provided in ORS 205.180.

(7) Subject to subsection (3) of this section, if a certified copy of an effective statement that limits the authority to transfer real property held in the name of a limited liability company is recorded with a county clerk as provided in ORS 205.180, all persons are deemed to know of the limitation.

(8) Subject to subsection (9) of this section, an effective statement of dissolution or statement of termination is a cancellation of any filed statement of authority for the purposes of subsection (6) of this section and is a limitation of authority for the purposes of subsection (7) of this section.

(9) After a statement of dissolution becomes effective, a limited liability company may deliver to the Secretary of State for filing a post-dissolution statement of authority and, if appropriate, may record the post-dissolution statement of authority with a county clerk as provided in ORS 205.180. A post-dissolution statement of authority operates as provided in subsections (6) and (7) of this section.

(10) Unless canceled earlier, a statement of authority is canceled by operation of law five years after the date on which the statement or the most recent amendment of the statement became effective. A cancellation under this subsection does not require recording under subsections (6) or (7) of this section.

(11) An effective statement of denial operates as a restrictive amendment under this section and a certified copy of the statement may be recorded for the purposes of, and as provided in, subsection (6)(a) of this section.

SECTION 38. Statement of Denial. A person named in a filed statement of authority granting the person authority may deliver to the Secretary of State for filing a statement of denial that:

(1) Identifies the limited liability company that delivered the statement of authority to the Secretary of State for filing and the caption of the statement of authority to which the denial pertains; and

(2) Denies the grant of authority.

SECTION 39. Liability of Members and Managers. (1) A debt, obligation or other liability of a limited liability company is solely the debt, obligation or other liability of the company. A person is not personally liable, directly or indirectly or by way of contribution or otherwise, for the limited liability company's debt, obligation or other liability solely because the person is, or acts as, a member or manager. This subsection applies even if a limited liability company is dissolved.

(2) A limited liability company's failure to observe formalities relating to an exercise of the company's powers or management of the company's activities or affairs is not a ground for imposing liability on a member or manager for the company's debt, obligation or other liability.

(3)(a) Notwithstanding any other law, a member, or a member-manager, who is a professional, as defined in ORS 58.015, is personally liable as a member to the same extent and in the same manner as a

shareholder in a professional corporation is liable under ORS 58.185 and 58.187.

(b) Paragraph (a) of this subsection applies to a member who is a manager.

(c) In addition to the liability described in paragraph (a) of this subsection, a member is liable to the extent otherwise provided in sections 1 to 125 of this 2025 Act.

SECTION 40. Liability for Certain Actions in Connection with Operation of Shell Entity; Actions as False Claim; Enforcement by Civil Action. (1) A member, manager, employee or agent of a shell entity is liable for damages to a person that suffers an ascertainable loss of money or property as a result of the member, manager, employee or agent:

(a) Making, issuing, delivering or publishing, or participating in making, issuing, delivering or publishing, a prospectus, report, circular, certificate, financial statement, balance sheet, public notice or document concerning the shell entity or the shell entity's shares, assets, liabilities, capital, dividends, earnings, accounts or business operations that the member, manager, employee or agent knows is false in any material respect;

(b) Making an entry or causing another person to make an entry in a shell entity's books, records, minutes or accounts that the member, manager, employee or agent knows is false in any material respect; or

(c) Removing, erasing, altering or canceling, or causing another person to remove, erase, alter or cancel, an entry in a shell entity's books, records, minutes or accounts if by means of the removal, erasure, alteration or cancellation the member, manager, employee or agent intends to deceive another person.

(2) A member, manager, employee or agent of a shell entity that engages in any of the actions described in subsection (1) of this section

in a submission to, or an interaction with, a public agency, as defined in ORS 180.750, makes a false claim and is subject to a civil action as provided in ORS 180.750 to 180.785.

RELATIONS OF MEMBERS TO EACH OTHER AND TO THE LIMITED LIABILITY COMPANY

SECTION 41. Becoming a Member. (1) If a limited liability company will have only one member upon formation, a person becomes a member in accordance with an agreement with the organizer of the limited liability company. The person and the organizer may be, but need not be, different persons. If the person and the organizer are different persons, the organizer acts on behalf of the initial member.

(2) If a limited liability company will have more than one member upon formation, persons become members in accordance with an agreement among the persons before the formation of the limited liability company. The organizer of the limited liability company acts on behalf of the persons and may be, but need not be, one of the persons.

(3) After the formation of the limited liability company, a person becomes a member:

(a) As provided in the operating agreement;

(b) As the result of a transaction that is effective under sections 90 to 120 of this 2025 Act;

(c) With the affirmative vote or consent of all members; or

(d) As provided in section 58 (1)(c) of this 2025 Act.

(4) A person may become a member without acquiring a transferable interest or making, or being obligated to make, a contribution to the limited liability company.

SECTION 42. Form of Contribution. A contribution may consist of property, services or another benefit that a person transfers or pro-

vides to a limited liability company, or an agreement to transfer property to or provide services or another benefit to the company.

SECTION 43. Liability for Contributions. (1) A person's death, disability, termination or other inability to perform personally does not excuse the person's obligation to make a contribution to a limited liability company.

(2) If a person does not fulfill an obligation to make a contribution other than money, the person must, at the option of the limited liability company, contribute money equal to the value of the part of the contribution the person did not make.

(3) Only the affirmative vote or consent of all members may compromise a person's obligation to make a contribution.

(4) If a creditor of a limited liability company extends credit or otherwise acts in reliance on an obligation described in subsection (1) of this section, without knowledge or notice of a compromise under subsection (3) of this section, the creditor may enforce the obligation.

SECTION 44. Sharing of and Right to Distributions Before Dissolution. (1) Any distribution a limited liability company makes before the company's dissolution and winding up must be in equal shares among members and persons that are dissociated as members, except to the extent necessary to comply with a transfer that is effective under section 52 of this 2025 Act or a charging order that is in effect under section 53 of this 2025 Act.

(2) A person has a right to a distribution before a limited liability company dissolves and winds up only if the company decides to make an interim distribution. A person's dissociation as a member does not entitle the person to a distribution.

(3) A person may not demand or receive a distribution from a limited liability company in any form other than money. Except as otherwise provided in section 65 (4) of this 2025 Act, a company may distribute an asset in kind only if each part of the asset is fungible

with each other part and each person receives a percentage of the asset that is equal in value to the person's share of distributions.

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

(5) A limited liability company's obligation to make a distribution to a member or a person dissociated as a member is subject to offset for any amount owed to the limited liability company by the member or the person that is dissociated as a member on account of which the company made the distribution.

SECTION 45. Limitations on Distributions. (1) A limited liability company may not make a distribution, including a distribution under section 65 of this 2025 Act, if after the distribution:

(a) The limited liability company could not pay the company's debts as the debts became due in the ordinary course of the company's activities and affairs; or

(b) The limited liability company's total assets would be less than the sum of the company's total liabilities, plus the amount necessary to satisfy the preferential rights that belong, upon the limited liability company's dissolution and winding up, to members and transferees with preferential rights that are superior to the rights of persons that receive the distribution, if the limited liability company was dissolved and wound up at the time of the distribution.

(2) A limited liability company may base a determination that a distribution is not prohibited under subsection (1) of this section upon:

(a) Financial statements that are prepared on the basis of accounting practices and principles that are reasonable under the circumstances; or

(b) A fair valuation or other method that is reasonable under the circumstances.

(3) Except as otherwise provided in subsection (5) of this section:

(a) The effect of a distribution under subsection (1) of this section is measured as of the earlier of:

(A) The date on which the limited liability company transfers money or property or incurs debt; or

(B) The date on which the person entitled to the distribution ceases to own the interest or right that the limited liability company acquires in return for the distribution;

(b) The effect of any other allocation of indebtedness is measured as of the date the indebtedness is allocated; and

(c) In all other cases, the effect is measured as of the date the limited liability company:

(A) Authorizes the distribution, if the payment occurs not later than 120 days after the date of the authorization; or

(B) Makes the payment, if the payment occurs more than 120 days after the date of the authorization.

(4) Indebtedness to a member or transferee that a limited liability company incurs by making a distribution in accordance with this section is at parity with the company's indebtedness to the company's general, unsecured creditors, except to the extent subordinated by agreement.

(5) A limited liability company's indebtedness, including indebtedness the company issues as a distribution, is not a liability for the purposes of subsection (1) of this section if the terms of the indebtedness provide that the company pays principal and interest only if, and to the extent that, the company could then pay a distribution under this section. If the limited liability company issues indebtedness as a distribution, each payment of principal or interest is a distribution, the effect of which is measured on the date of the payment.

(6) In measuring the effect of a distribution under section 65 of this 2025 Act, the liabilities of a dissolved limited liability company do not

1 include any claim that has been disposed of under section 62 or 63 of
2 this 2025 Act.

3 **SECTION 46. Liability for Improper Distributions.** (1) Except as
4 otherwise provided in subsection (2) of this section, if a member of a
5 member-managed limited liability company or a manager of a
6 manager-managed limited liability company consents to a distribution
7 that violates section 45 of this 2025 Act and, in consenting to the dis-
8 tribution, fails to comply with section 49 of this 2025 Act, the member
9 or manager is personally liable to the limited liability company for the
10 amount of the distribution that exceeds the amount could have been
11 distributed without violating section 45 of this 2025 Act.

12 (2) To the extent that the operating agreement of a member-
13 managed limited liability company expressly relieves a member of the
14 authority and responsibility to consent to distributions and imposes
15 the authority and responsibility on one or more other members, the
16 liability described in subsection (1) of this section applies to the other
17 members and not the member that the operating agreement relieves
18 of the authority and responsibility.

19 (3) A person that receives a distribution knowing that the distrib-
20 ution violates section 45 of this 2025 Act is personally liable to the
21 limited liability company, but only to the extent that the distribution
22 that the person received exceeded the amount that the company could
23 have properly paid under section 45 of this 2025 Act.

24 (4) A person defending in an action against a claim of liability under
25 subsection (1) of this section may:

26 (a) Implead any other person that is liable under subsection (1) of
27 this section and seek to enforce a right of contribution from the other
28 person; and

29 (b) Implead any person that received a distribution that violated
30 subsection (3) of this section and seek to enforce a right of contribu-
31 tion from the person in the amount the person received in violation

1 of subsection (3) of this section.

2 (5) A person may not commence an action under this section later
3 than two years after the date of the distribution.

4 SECTION 47. Management of Limited Liability Company. (1) A
5 limited liability company is a member-managed limited liability com-
6 pany unless the operating agreement expressly provides, or uses words
7 of similar import to provide, that:

8 (a) The limited liability company is or will be “manager-managed”;

9 (b) The limited liability company is or will be “managed by man-
10 agers”; or

11 (c) Management of the limited liability company is or will be
12 “vested in managers.”

13 (2) In a member-managed limited liability company:

14 (a) Members control the management and conduct of the limited
15 liability company unless sections 1 to 125 of this 2025 Act expressly
16 provide otherwise.

17 (b) Each member has equal rights in managing and conducting the
18 limited liability company’s activities and affairs.

19 (c) A majority of the members of the limited liability company may
20 decide a difference that arises among members as to a matter in the
21 ordinary course of the limited liability company’s activities and af-
22 fairs.

23 (d) All members must vote affirmatively or consent:

24 (A) To undertake an act outside the ordinary course of the limited
25 liability company’s activities and affairs;

26 (B) To amend the operating agreement; or

27 (C) As otherwise required under sections 1 to 125 of this 2025 Act.

28 (3) In a manager-managed limited liability company:

29 (a) A manager or, if there is more than one manager, a majority
30 of managers exclusively decides any matter that relates to the activ-
31 ities or affairs of the limited liability company, unless sections 1 to 125

1 of this 2025 Act expressly provide otherwise.

2 (b) Each manager has equal rights in managing and conducting the
3 limited liability company's activities and affairs.

4 (c) All members must vote affirmatively or consent:

5 (A) To undertake an act outside the ordinary course of the limited
6 liability company's activities and affairs;

7 (B) To amend the operating agreement; or

8 (C) As otherwise required under sections 1 to 125 of this 2025 Act.

9 (d) A majority of the members by affirmative vote or consent may
10 choose a manager at any time. The manager remains a manager until
11 the members choose a successor or until the manager resigns, is re-
12 moved, dies or, if the manager is not an individual, terminates. A
13 majority of the members by affirmative vote or consent may remove
14 a manager at any time without notice or cause.

15 (e) A person need not be a member to be a manager, but the
16 dissociation of a member that is also a manager removes the person
17 as a manager. If a person that is both a member and a manager ceases
18 to be a manager, the cessation by itself does not dissociate the person
19 as a member.

20 (f) A person's ceasing to be a manager does not discharge a debt,
21 obligation or other liability to a limited liability company, or to
22 members, that the person incurred while a manager.

23 (4) Members may vote or consent under sections 1 to 125 of this 2025
24 Act without a meeting. A member may appoint a proxy or other agent
25 to vote, consent or otherwise act for the member by personally sign-
26 ing, or having an agent sign, an appointing record.

27 (5) The dissolution of a limited liability company does not affect the
28 applicability of this section, but a person that wrongfully causes a
29 dissolution of the company loses the right to participate as a member
30 and manager in managing the company.

31 (6) A limited liability company shall reimburse a member for an

advance the member makes to the company in addition to the amount of capital the member agreed to contribute.

(7) A member's payment or advance that creates an obligation for a limited liability company under subsection (6) of this section or under section 48 (1) of this 2025 Act constitutes a loan to the limited liability company that accrues interest at the rate provided in ORS 82.010 (1)(a) from the date of the payment or advance.

(8) A member is not entitled to remuneration for performing services for a member-managed limited liability company, except for reasonable compensation for services the member renders in winding up the activities of the company.

SECTION 48. Reimbursement; Indemnification; Advancement; and Insurance. (1) A limited liability company shall reimburse a member of a member-managed limited liability company or the manager of a manager-managed limited liability company for any payment the member or manager makes in the course of the member's or manager's activities on behalf of the limited liability company if the member or manager complies with this section and sections 45 and 47 of this 2025 Act in making the payment.

(2) A limited liability company shall indemnify and hold harmless a person with respect to any claim or demand against the person and any debt, obligation or other liability the person incurs in the person's capacity as a former or current member or manager if the claim, demand, debt, obligation or other liability does not arise from the person's violation of sections 45, 47 or 49 of this 2025 Act.

(3) A limited liability company in the ordinary course of the company's activities and affairs may advance funds for reasonable expenses, including attorney fees and costs, that a person incurs in connection with a claim or demand against the person in the person's capacity as a former or present member provided that the person promises to repay the company if the person is ultimately not indem-

nified under subsection (2) of this section.

(4) A limited liability company may purchase and maintain insurance on behalf of a member or manager against liability asserted against or incurred by the member or manager as, or in the capacity of, a member or manager even if, under section 6 of this 2025 Act, the operating agreement could not limit or eliminate the member's or manager's liability to the limited liability company for the conduct that gave rise to the liability.

SECTION 49. Standards of Conduct for Members and Managers. (1)

A member of a member-managed limited liability company owes to the limited liability company and to other members the duties of loyalty and care described in subsections (2) and (3) of this section.

(2) A member's fiduciary duty of loyalty to a member-managed limited liability company includes the duty to:

(a) Account to the limited liability company, and hold as trustee for the company, any property, profit or benefit the member derives from:

(A) Conducting or winding up the limited liability company's activities and affairs;

(B) Using the limited liability company's property; or

(C) Appropriating an opportunity that belongs to the limited liability company;

(b) Refrain from dealing with the limited liability company, in conducting or winding up the company's activities and affairs, as or on behalf of a person with an interest that is adverse to the interests of the company; and

(c) Refrain from competing with the limited liability company in conducting the company's activities and affairs before the dissolution of the company.

(3) A member's duty of care with respect to conducting or winding up a member-managed limited liability company's activities and affairs is to refrain from engaging in grossly negligent or reckless conduct,

1 willful or intentional misconduct or a knowing violation of law.

2 (4) A member shall discharge the member's duties and obligations
3 under sections 1 to 125 of this 2025 Act or under the operating agree-
4 ment and exercise any rights consistently with the contractual obli-
5 gations of good faith and fair dealing.

6 (5) A member does not violate a duty or obligation under sections
7 1 to 125 of this 2025 Act or under the operating agreement solely be-
8 cause the member's conduct furthers the member's own interest.

9 (6) All members of a member-managed limited liability company or
10 a manager-managed limited liability company, after full disclosure of
11 all material facts, may together authorize or ratify a specific act or
12 transaction that otherwise would violate the duty of loyalty.

13 (7) A member may defend against a claim under subsection (2)(b)
14 of this section and any comparable claim in equity or at common law
15 on the basis that the transaction was fair to the limited liability
16 company.

17 (8) If a member enters into a transaction with a limited liability
18 company that is not permitted under subsection (2)(b) of this section,
19 but all of the other members of the company authorize or ratify the
20 transaction under subsection (6) of this section or the member does
21 not have a duty to the company under subsection (9)(f) of this section,
22 the member's rights and obligations that arise from the transaction
23 are the same as the rights of a person that is not a member.

24 (9) In a manager-managed limited liability company:

25 (a) Subsections (1), (2), (3) and (7) of this section apply to a manager
26 but not to a member.

27 (b) The duty set forth in subsection (2)(c) of this section continues
28 until winding up is completed.

29 (c) Subsection (4) of this section applies to members and managers.

30 (d) Subsection (5) of this section applies only to members.

31 (e) Only members have the power to ratify under subsection (6) of

1 this section.

2 (f) Subject to subsection (4) of this section, a member does not have
3 a duty to the limited liability company or to any other member solely
4 by reason of being a member.

5 **SECTION 50. Rights to Information of Member, Manager and Per-**
6 **son Dissociated as Member.** (1)(a) A limited liability company shall
7 keep at the company's principal office:

8 (A) A copy of the limited liability company's articles of organization
9 and all amendments to the articles of organization;

10 (B) A copy of any record of the limited liability company's operating
11 agreement and a copy of any amendments made in a record to the
12 operating agreement;

13 (C) A statement in a record, unless the information appears in the
14 limited liability company's articles of organization, of:

15 (i) The amount of cash and a description and statement of the
16 agreed value of the other benefits a member contributed or agreed to
17 contribute to the limited liability company;

18 (ii) When a member must make or agree to make additional con-
19 tributions and any events following which a member must make or
20 agree to make additional contributions;

21 (iii) Any right a member has to receive distributions that include
22 a return of all or any part of the member's contribution; and

23 (iv) Any events following which the limited liability must be dis-
24 solved and the activities and affairs of the company must be wound
25 up;

26 (D) A copy of the limited liability company's federal, state and local
27 tax returns and reports, if any, for the three most recent years;

28 (E) A copy of any of the limited liability company's financial
29 statements for the three most recent years;

30 (F) A copy of any record the limited liability company made of any
31 vote or consent a member made or gave under the company's operat-

ing agreement or under sections 1 to 125 of this 2025 Act;

(G) Copies of the three most recent annual reports the limited liability company delivered to the Secretary of State for filing;

(H) A copy of any articles of conversion or articles of merger the limited liability company delivered to the Secretary of State for filing;

(I) A copy of any statement or certificate of dissolution or statement or certificate that revokes dissolution; and

(J) A current list of the full name and last-known business address, residence address or mailing address of each current and former member. An address under this paragraph must be a physical address that includes the number and street name.

(b) A member may inspect and copy any record a limited liability company must keep under paragraph (a) of this subsection if the member delivers a demand for the inspection in a record that the company receives at least 10 days before the inspection. The member may make the inspection at the limited liability company's principal office during regular business hours and need not have any particular purpose for the inspection.

(2)(a) A limited liability company shall provide to each member, without demand, any information concerning the company's activities, affairs, financial condition and other circumstances that the company knows and that are material to a proper exercise of the member's rights and duties under the operating agreement or sections 1 to 125 of this 2025 Act, unless the company can establish that the company reasonably believes the member already knows the information.

(b) In a member-managed limited liability company, each member has the duty required of the company in paragraph (a) of this subsection to the extent the member knows any of the information described in paragraph (a) of this subsection.

(c) If the operating agreement for a limited liability company or sections 1 to 125 of this 2025 Act provide for a member to vote on or

1 give or withhold consent to a matter, the company without demand
2 shall provide the member with all information the company knows
3 that is material to the member's decision.

4 (3) If a member meets the requirements set forth in subsection (4)
5 of this section, a member may inspect and copy during reasonable
6 business hours, at a reasonable location the limited liability company
7 specifies, the following records:

8 (a) Excerpts from any record of a meeting of members or managers
9 and any record of a limited liability company's action that members
10 or managers approved without a meeting.

11 (b) The limited liability company's accounting records.

12 (c) Any other records of the activities, affairs, financial condition
13 and other circumstances of the limited liability company as is just and
14 reasonable.

15 (4)(a) To inspect and copy the records described in subsection (3)
16 of this section, a member must:

17 (A) Seek the records for a purpose that is reasonably related to the
18 member's interest in the limited liability company; and

19 (B) Deliver to the limited liability company a record with a demand
20 that describes with reasonable particularity the records the member
21 seeks and the member's purpose for seeking the records.

22 (b) Records the member seeks to inspect and copy under paragraph
23 (a) of this subsection must be directly connected to the member's
24 purpose.

25 (5) Within 10 days after receiving a demand from a member under
26 subsection (4) of this section, a limited liability company shall:

27 (a) Inform the member which records the limited liability company
28 will provide in response to the demand;

29 (b) State when and where the limited liability company will provide
30 the records; and

31 (c) State reasons for declining to provide records the member de-

1 manded, if the limited liability company declines all or part of the
2 member's demand.

3 (6)(a) A person that is dissociated as a member may have access to
4 any record or information to which the person was entitled as a
5 member if the person delivers a demand for access in a record that the
6 limited liability company receives at least 10 days before the access
7 and if:

8 (A) The records and information pertain to the period during which
9 the person was a member or transferee;

10 (B) The person seeks the records and information in good faith; and

11 (C) The person meets the requirements set forth for a member in
12 subsection (4) of this section.

13 (b) A limited liability company must respond to a demand under
14 paragraph (a) of this subsection in the manner described in subsection
15 (5) of this section.

16 (7) A limited liability company may not fail to keep the records
17 listed in subsection (1) of this section, but the company may, in the
18 operating agreement or otherwise, impose reasonable restrictions on
19 the availability or use of the records and other information a person
20 obtains under this section. The restrictions may include designating
21 information as confidential and imposing nondisclosure and safe-
22 guarding obligations on the recipient of the records and other infor-
23 mation. In a dispute over the reasonableness of a restriction under
24 this subsection, the limited liability company has the burden of prov-
25 ing the restriction is reasonable.

26 (8) A limited liability company may charge a person that makes a
27 demand under this section the reasonable costs of copying records, but
28 only the costs of labor and materials and not more than the estimated
29 cost to produce or reproduce the records.

30 (9) A person may exercise the person's rights under this section
31 through an agent, including an attorney or, if the person is under a

1 legal disability, through the person's legal representative. A restriction
2 that a limited liability company imposes under subsection (7) of this
3 section applies to the person and the person's agent or legal repre-
4 sentative.

5 (10) Subject to section 54 of this 2025 Act, rights under this section
6 do not extend to a transferee.

7 (11)(a) Each manager, or each member of a manager if the manager
8 is more than one person, may inspect and copy during regular business
9 hours:

10 (A) The records described in subsection (1) of this section, at the
11 limited liability company's principal office; and

12 (B) Any other records the limited liability company maintains con-
13 cerning the company's activities and financial condition or that oth-
14 erwise relate to managing the company, at a reasonable location the
15 company specifies.

16 (b) A manager or a member of a manager need not have a partic-
17 ular purpose for seeking records or information under this subsection.

18 (12)(a) If a limited liability company does not allow a member to
19 inspect and copy any records or information the member has a right
20 to inspect and copy under subsection (2)(a) of this section, the member
21 may seek an order to require the inspection and copying from the
22 circuit court of the county in which the company's principal office is
23 located or, if the principal office is not located in this state, the county
24 in which the company's registered office is or was last located. The
25 court may summarily order the inspection and copying at the limited
26 liability company's expense.

27 (b) If a limited liability company does not within a reasonable time
28 allow a member to inspect and copy any record or information other
29 than records or information described in subsection (2)(a) of this sec-
30 tion, the member may seek an order to permit the inspection and
31 copying from the circuit court of the county in which the company's

principal office is located or, if the principal office is not located in this state, the county in which the company's registered office is or was last located.

(c) If a court orders a limited liability company to permit a member to inspect and copy records and information under paragraph (a) or (b) of this subsection, the court:

(A) Shall also order the limited liability company to pay the costs, including reasonable attorney fees, that the member incurred to obtain the order, unless the company proves that the company refused the inspection and copying in good faith because a reasonable basis existed to doubt the member's right to inspect and copy the records and information; and

(B) May impose reasonable restrictions on the member's use or distribution of the records or information.

(13) A court may not issue an order under subsection (12) of this section without notice to the limited liability company at least five days before the time specified for a hearing on the matter, unless the court specifies a different period for the notice. The court shall set the hearing at the earliest possible time, giving the matter precedence over all other matters except matters of the same character or applications for a preliminary injunction under ORCP 79B (3).

TRANSFERABLE INTERESTS AND THE RIGHTS OF TRANSFEREES AND CREDITORS

SECTION 51. Nature of Transferable Interest. A transferable interest is personal property.

SECTION 52. Transfer of Transferable Interest. (1) Subject to section 53 (6) of this 2025 Act, a transfer, in whole or in part, of a transferable interest:

(a) Is permissible;

1 **(b) Does not, alone, cause a person’s dissociation as a member or**
2 **a dissolution and winding up of a limited liability company’s activities**
3 **and affairs; and**

4 **(c) Does not entitle the transferee, subject to section 54 of this 2025**
5 **Act, to:**

6 **(A) Participate in managing or conducting the limited liability**
7 **company’s activities or affairs; or**

8 **(B) Have access to records or other information about the limited**
9 **liability company’s activities and affairs, except as otherwise provided**
10 **in subsection (3) of this section.**

11 **(2) A transferee has the right to receive, in accordance with the**
12 **transfer, distributions to which the transferor would otherwise be en-**
13 **titled.**

14 **(3) In a dissolution and winding up of a limited liability company,**
15 **a transferee is entitled to an account of the limited liability company’s**
16 **transactions only from the date of the dissolution.**

17 **(4) A limited liability company may issue a certificate in a record**
18 **as evidence of a transferable interest. Subject to this section, trans-**
19 **ferring the certificate may transfer the interest that the certificate**
20 **represents.**

21 **(5) A limited liability company need not give effect to a transferee’s**
22 **rights under this section until the company knows or has notice of the**
23 **transfer.**

24 **(6) A transfer of a transferable interest that violates a restriction**
25 **on transfers in the operating agreement is ineffective if the intended**
26 **transferee knows or has notice of the restriction at the time of the**
27 **transfer.**

28 **(7) Except as otherwise provided in section 56 (5)(b) of this 2025 Act,**
29 **if a member transfers a transferable interest, the member retains all**
30 **of the rights, duties and obligations of a member other than the in-**
31 **terest the member transferred.**

(8) If a member transfers a transferable interest to a person that becomes a member with respect to the transferred interest, the person is liable for the member's obligations under sections 43 and 46 of this 2025 Act that the person knows of at the time the person becomes a member.

SECTION 53. Charging Order. (1) A judgment creditor of a member or transferee may apply for and a court may enter a charging order against the member's or transferee's transferable interest for the unsatisfied amount of the judgment. A charging order is a lien on a judgment debtor's transferable interest and requires the limited liability company to pay over to the person that obtained the order any distribution that the company otherwise would pay to the judgment debtor.

(2) A court may include in a charging order the court enters under subsection (1) of this section, or in a separate order, terms or requirements that are reasonably necessary to collect distributions and give effect to the charging order including, but not limited to, appointing a receiver for distributions that are subject to the charging order. If the court appoints a receiver, the receiver may make any inquiries the judgment debtor may make.

(3) A court may foreclose a lien on and order a sale of a transferable interest if the judgment creditor shows that the distributions that are subject to a charging order under subsection (1) of this section will not pay the judgment debt within a reasonable time. Except as otherwise provided in subsection (6) of this section, the purchaser at the foreclosure sale obtains only the transferable interest and is subject to section 52 of this 2025 Act, but does not become a member.

(4) At any time before a court forecloses a lien under subsection (3) of this section, a member or transferee whose transferable interest is subject to a charging order under subsection (1) of this section may extinguish the charging order by:

1 (a) Satisfying the judgment;

2 (b) Obtaining a satisfaction document under ORS 18.225; and

3 (c) Filing, and causing the judgment creditor to file, the satisfaction
4 document with the court that entered the charging order.

5 (5) At any time before a court forecloses a lien under subsection (3)
6 of this section, the limited liability company or a member whose
7 transferable interest is not subject to the charging order may pay to
8 the judgment creditor the full amount due under the judgment and
9 obtain the rights of the judgment creditor against the judgment
10 debtor, including rights under the charging order.

11 (6) If a court forecloses a lien on the transferable interest of the
12 sole member of a limited liability company:

13 (a) The court shall order and confirm a sale of the interest;

14 (b) The purchaser at the foreclosure sale obtains the member's en-
15 tire interest, not just the transferable interest, and becomes a mem-
16 ber; and

17 (c) The member whose interest the court foreclosed and ordered
18 sold is dissociated as a member.

19 (7) Sections 1 to 125 of this 2025 Act do not deprive a member or
20 transferee of the benefit of any exemption law that applies to the
21 member's or transferee's transferable interest.

22 (8) This section sets forth a judgment creditor's exclusive remedy
23 for enforcing a judgment against a member's or transferee's
24 transferable interest.

25 **SECTION 54. Power of Legal Representative of Deceased Member.**

26 If a member dies, the deceased member's legal representative may
27 exercise the rights of a transferee under section 52 (3) of this 2025 Act
28 and, for purposes of settling the member's estate, the rights the de-
29 ceased member had under section 50 of this 2025 Act.

30
31 **DISSOCIATION**

SECTION 55. Power to Dissociate as Member; Wrongful Dissociation. (1) A person may dissociate as a member at any time, rightfully or wrongfully, by withdrawing by express will under section 56 of this 2025 Act.

(2) A person's dissociation as a member is wrongful only if the dissociation:

(a) Breaches an express provision of the operating agreement; or

(b) Occurs before a winding up of the limited liability company is complete and the person:

(A) Withdraws as a member by express will;

(B) Is expelled as a member by judicial order under section 56 (6) of this 2025 Act;

(C) Is dissociated under section 56 (8) of this 2025 Act; or

(D) Is dissociated as a member because the person willfully dissolved or terminated, if the person is not a trust, other than a business trust, an estate or an individual.

(3) A person that wrongfully dissociates as a member is liable to the limited liability company and to the other members for damages the dissociation causes. The liability is in addition to any debt, obligation or liability the member has to the limited liability company or to the other members.

SECTION 56. Events Causing Dissociation. A person is dissociated as a member when:

(1) The limited liability company knows or has notice of the person's express will to withdraw as a member, except that if the person specifies a withdrawal date later than the date on which the company knew or had notice of the person's express will, the withdrawal occurs on the later date;

(2) An event occurs that, under the operating agreement, is cause for a dissociation;

(3) A foreclosure sale under section 53 (6) of this 2025 Act or a pur-

1 chase under section 74 of this 2025 Act transfers the person's entire
2 interest in the limited liability company;

3 (4) The person is expelled as a member in accordance with the op-
4 erating agreement;

5 (5) All the other members vote affirmatively or consent to expel the
6 person, which may occur if:

7 (a) The limited liability company may not lawfully carry on the
8 company's activities and affairs with the person as a member;

9 (b) A transfer of all of the person's transferable interest in the
10 limited liability company occurs, other than a transfer:

11 (A) For security purposes; or

12 (B) In accordance with a charging order that is in effect and has
13 not been foreclosed;

14 (c) The person is an entity and:

15 (A) The limited liability company notifies the person that the per-
16 son will be expelled as a member because:

17 (i) The person filed a statement of dissolution or the equivalent of
18 a statement of dissolution;

19 (ii) The person was administratively dissolved;

20 (iii) The person's charter, or the equivalent of a charter, was re-
21 voked; or

22 (iv) The person's jurisdiction of formation suspended the person's
23 right to conduct business and, not later than 90 days after the date
24 of the notification:

25 (I) The person has not withdrawn, rescinded or revoked the state-
26 ment of dissolution or the equivalent of the statement of dissolution;
27 or

28 (II) The person has not been reinstated after the administrative
29 dissolution, after the charter was revoked or after the person's right
30 to do business was suspended; or

31 (B) The person is an unincorporated entity that was dissolved and

1 the affairs of which are being wound up;

2 (6) The person is expelled as a member by judicial order that the
3 limited liability company sought because the person:

4 (a) Engaged or is engaging in wrongful conduct that has had or will
5 have an adverse material effect on the limited liability company's ac-
6 tivities and affairs;

7 (b) Committed or is committing, willfully or persistently, a material
8 breach of the operating agreement or a duty or obligation under sec-
9 tion 49 of this 2025 Act; or

10 (c) Engaged or is engaging in conduct with respect to the limited
11 liability company's activities and affairs that makes carrying on the
12 activities and affairs with the person as a member not reasonably
13 practicable;

14 (7) The person is an individual who:

15 (a) Dies; or

16 (b) In a member-managed limited liability company:

17 (A) Has had a guardian or general conservator appointed for the
18 person; or

19 (B) Is the subject of a court order that determines that the indi-
20 vidual has otherwise become incapable of performing the individual's
21 duties as a member under the operating agreement or under sections
22 1 to 125 of this 2025 Act;

23 (8) The person is a member of a member-managed limited liability
24 company and:

25 (a) Becomes a debtor in bankruptcy;

26 (b) Signs an assignment for the benefit of creditors; or

27 (c) Is subject to, or all or substantially all of the person's property
28 is subject to, a trustee's, receiver's or liquidator's administration or
29 control;

30 (9) The person is a testamentary or inter vivos trust or is acting
31 as a member by virtue of being a trustee of a testamentary or inter

1 vivos trust and the person's entire transferable interest in the limited
2 liability company is distributed;

3 (10) The person is an estate or is acting as a member by virtue of
4 being a personal representative of an estate and the estate's entire
5 transferable interest in the limited liability company is distributed;

6 (11) The person is not an individual and the existence of the person
7 terminates;

8 (12) The limited liability company of which the person is a member
9 participates in a merger under sections 97 to 102 of this 2025 Act and
10 the limited liability company is not the surviving entity or the person
11 otherwise ceases to be a member as a result of the merger;

12 (13) The limited liability company of which the person is a member
13 participates in an interest exchange under sections 103 to 108 of this
14 2025 Act and as a result of the interest exchange the person ceases to
15 be a member;

16 (14) The limited liability company of which the person is a member
17 participates in a conversion under sections 109 to 114 of this 2025 Act;

18 (15) The limited liability company of which the person is a member
19 participates in a domestication under section 115 to 120 of this 2025
20 Act and, as a result of the domestication, the person ceases to be a
21 member; or

22 (16) The limited liability company of which the person is a member
23 dissolves and completes winding up.

24 SECTION 57. Effect of Dissociation. (1) If a person is dissociated
25 as a member:

26 (a) The person's right to participate as a member in managing and
27 conducting the limited liability company's activities and affairs ter-
28 minates;

29 (b) The duties and obligations under section 49 of this 2025 Act that
30 apply to members no longer apply to the person with respect to mat-
31 ters that arise and events that occur after the person's dissociation;

1 and

2 (c) Subject to sections 54 and 90 to 120 of this 2025 Act, the person
3 owns solely as a transferee any transferable interest that the person
4 owned in the person's capacity as a member before dissociation.

5 (2) A person's dissociation as a member does not of itself discharge
6 the person from any debt, obligation or other liability to the limited
7 liability company or to the other members that the person incurred
8 while a member.

9
10 **DISSOLUTION AND WINDING UP**

11
12 **SECTION 58. Events Causing Dissolution.** (1) A limited liability
13 company is dissolved and the activities and affairs of the company
14 must be wound up if any of the following conditions occur:

15 (a) An event occurs that, under the operating agreement, is cause
16 for a dissolution.

17 (b) All of the members vote for or consent to the dissolution.

18 (c) Ninety consecutive days pass during which the limited liability
19 company does not have any members, unless before the period ends:

20 (A) One or more transferees that own the rights to receive a ma-
21 jority of distributions as transferees consent to admit at least one
22 specified person as a member if the transferees own the rights at the
23 time the consent is effective; and

24 (B) At least one person becomes a member in accordance with the
25 consent described in subparagraph (A) of this paragraph.

26 (d) On a member's application, a court enters an order dissolving
27 the limited liability company on the grounds that:

28 (A) The conduct of all or substantially all of the limited liability
29 company's activities and affairs is unlawful;

30 (B) Carrying on the limited liability company's activities and affairs
31 in conformity with the company's articles of organization or operating

1 **agreement is not reasonably practicable; or**

2 **(C) The members or managers that control the limited liability**
3 **company:**

4 **(i) Have acted, are acting or will act in a manner that is illegal or**
5 **fraudulent; or**

6 **(ii) Have acted or are acting in a manner that is oppressive and was,**
7 **is or will be directly harmful to the applicant.**

8 **(e) The Secretary of State administratively dissolves the limited li-**
9 **ability company under section 66 of this 2025 Act.**

10 **(f) The Attorney General brings an action that results in a court**
11 **finding that:**

12 **(A) The limited liability company filed articles of organization with**
13 **fraudulent intent, with fraudulent information or in a manner that**
14 **otherwise indicates fraud;**

15 **(B) The limited liability company has continued to exceed or abuse**
16 **the authority the law confers upon the company; or**

17 **(C) The limited liability company is a shell entity. For purposes of**
18 **this subparagraph:**

19 **(i) A court may find that a limited liability company is a shell en-**
20 **tity if the court determines that the limited liability company was used**
21 **or organized for an illegal purpose, was used or organized to defraud**
22 **or deceive a person or a governmental agency or was used or organized**
23 **to fraudulently conceal any business activity from another person or**
24 **a governmental agency; and**

25 **(ii) The Attorney General may make a prima facie showing that a**
26 **limited liability company is a shell entity by stating in an affidavit**
27 **that:**

28 **(I) The limited liability company did not provide a name or address**
29 **the Secretary of State required, or the name or address the company**
30 **provided was false, fraudulent or inadequate;**

31 **(II) The limited liability company's articles of organization, a re-**

cord the company must keep under section 50 of this 2025 Act or the limited liability company's annual report is false, fraudulent or inadequate;

(III) A public body, as defined in ORS 174.109, attempted to communicate with, or serve legal process upon, the limited liability company at the address or by means of other contact information the company provided to the Secretary of State, but the company failed to respond; or

(IV) The Attorney General has other evidence that shows that the limited liability company was used or organized for an illegal purpose, was used or organized to defraud or deceive a person or a governmental agency or was used or organized to fraudulently conceal any business activity from another person or a governmental agency.

(2) If the basis of a member's application for an order under subsection (1)(d) of this section is the grounds described in subsection (1)(d)(C) of this section, a court may order a remedy other than dissolution.

(3) In addition to subjecting a limited liability company to dissolution under subsection (1)(f)(C) of this section, a finding that the company is a shell entity has the following effects:

(a) A court may rebuttably presume that the limited liability company's filings with the Secretary of State constitute a false claim, as defined in ORS 180.750, in any action the Attorney General brings against the company under ORS 180.760 and may award to the Attorney General reasonable attorney fees and the costs of investigation, preparation and litigation if the Attorney General prevails in the action; and

(b) A public body, as defined in ORS 174.109, in any proceeding against the limited liability company, may move to enjoin a member, manager or other person that exercises significant direction or control over the company from engaging in commercial activity in this state,

including but not limited to incorporating or organizing another entity in this state.

(4) A limited liability company may affirmatively defend against an allegation that the company is a shell entity by showing that the company, within 60 days after receiving a request to provide or correct a name, address or other information required for a filing or in articles of organization, a record the company must keep or an annual report, or within 60 days after the date of a request to respond to a communication or service of process, provided or corrected the name, address or other information or responded to the communication or service of process.

SECTION 59. Procedure for Judicial Dissolution. (1) The Attorney General shall bring an action to dissolve a limited liability company under section 58 of this 2025 Act in Marion County. Any other person that brings an action under section 58 of this 2025 Act must bring the action in the county in which a limited liability company's principal office is located or, if the principal office is not located in this state, the county in which the registered office of the company is or was last located.

(2) A member is not a necessary party to an action to dissolve a limited liability company unless the person bringing the action seeks relief against the individual member.

(3) A court in an action to judicially dissolve a limited liability company may issue injunctions, appoint a receiver or a custodian with all powers and duties the court directs, and take other action necessary to carry on the business of the company or to preserve or liquidate the company's assets wherever the assets are located.

SECTION 60. Judgment of Dissolution. (1) If after a hearing a court determines that one or more grounds for judicial dissolution described in section 58 of this 2025 Act exist, the court may enter a judgment to dissolve the limited liability company and specify the effective date of

the dissolution. The clerk of the court shall deliver a certified copy of the judgment to the Secretary of State for filing. The Secretary of State shall file the certified copy of the judgment.

(2) After entering the judgment of dissolution, the court shall direct the winding up and liquidation of the limited liability company's activities and affairs in accordance with section 61 of this 2025 Act, the notification of claimants and enforcement of claims in accordance with sections 63 and 64 of this 2025 Act and the distribution of limited liability company assets in accordance with section 65 of this 2025 Act.

SECTION 61. Winding Up. (1) A dissolved limited liability company shall wind up the company's activities and affairs and, except as otherwise provided in section 62 of this 2025 Act, continues after dissolution only for the purpose of winding up.

(2) A limited liability company, in winding up the company's activities and affairs:

(a) Shall discharge the limited liability company's debts, obligations and other liabilities, settle and close the company's activities and affairs and collect and distribute the company's assets.

(b) May:

(A) Deliver to the Secretary of State for filing a statement of dissolution that includes the name of the limited liability company and a declaration that the company is dissolved;

(B) Preserve the limited liability company's activities, affairs and property as a going concern for a reasonable time;

(C) Bring and defend actions and proceedings, whether civil, criminal or administrative;

(D) Transfer the limited liability company's property;

(E) Settle disputes by mediation or arbitration;

(F) Deliver to the Secretary of State for filing a statement of termination that includes the name of the limited liability company and a declaration that the company is terminated; and

1 (G) Perform other acts that are necessary or appropriate for the
2 winding up.

3 (3) If a dissolved limited liability company does not have members,
4 the legal representative of the person that was the last member may
5 wind up the limited liability company's activities and affairs. If the
6 legal representative winds up the limited liability company's activities
7 and affairs, the legal representative has the powers of a sole manager
8 under section 47 (3) of this 2025 Act and is a manager for the purposes
9 of section 39 (1) of this 2025 Act.

10 (4) If a legal representative declines to or fails to wind up a limited
11 liability company's activities and affairs under subsection (3) of this
12 section, one or more transferees that own the rights to receive a ma-
13 jority of distributions as transferees may consent to appoint a person
14 to wind up the limited liability company's activities and affairs if the
15 transferees own the rights at the time the consent is effective. A per-
16 son appointed under this subsection:

17 (a) Has the powers of a sole manager under section 47 (3) of this
18 2025 Act and is a manager for the purposes of section 39 (1) of this 2025
19 Act; and

20 (b) Shall deliver promptly to the Secretary of State for filing an
21 amendment to the limited liability company's articles of organization
22 that states:

23 (A) That the limited liability company does not have any members;

24 (B) The person's name, address and mailing address, which must
25 be physical addresses that include the number and name of the street;
26 and

27 (C) That the person was appointed under this subsection to wind
28 up the limited liability company's activities and affairs.

29 (5) A court may order a judicial supervision of, and appointment
30 of a receiver to manage, a limited liability company's winding up if:

31 (a) A member applies for the order and establishes good cause;

(b) A transferee petitions for the order and:

(A) The limited liability company does not have any members;

(B) The legal representative of the person that was the last member declines or fails to wind up the limited liability company's activities and affairs; and

(C) A person was not appointed under subsection (4) of this section within a reasonable time after the dissolution; or

(c) A court enters an order in connection with a proceeding under section 60 of this 2025 Act.

SECTION 62. Rescinding Dissolution. (1) A limited liability company may rescind a dissolution unless a statement of termination for the limited liability company is effective, a court has entered an order to dissolve the limited liability company under section 60 of this 2025 Act or the Secretary of State has dissolved the limited liability company under section 66 of this 2025 Act.

(2) Rescinding a dissolution under this section requires:

(a) The affirmative vote or consent of each member; and

(b) Delivering to the Secretary of State for filing:

(A) A statement of withdrawal under section 31 of this 2025 Act that applies to the dissolution, if the statement of dissolution is not effective; or

(B) A statement of rescission that states the name of the limited liability company and declares a rescission of the dissolution, if the statement of dissolution is effective.

(3) If a limited liability company rescinds a dissolution:

(a) The limited liability company resumes carrying on the company's activities and affairs as if the dissolution never occurred;

(b) Subject to paragraph (c) of this subsection, any liability the limited liability company incurred after the dissolution and before the rescission became effective must be determined as if the dissolution never occurred; and

(c) The rights of a third party arising out of the third party's conduct in reliance on the dissolution before the third party knew or had notice of the rescission may not be adversely affected.

SECTION 63. Known Claims Against Dissolved Limited Liability Company. (1) Except as otherwise provided in subsection (4) of this section, a dissolved limited liability company may give notice of a known claim under subsection (2) of this section that has the effect described in subsection (3) of this section.

(2) A dissolved limited liability company in a record may notify known claimants of the dissolution. The notice must:

(a) Specify the information that must be included in a claim;

(b) State that a claim must be in writing and provide a mailing address to which the claim may be sent;

(c) State the deadline for receiving a claim, which may not be less than 120 days after the date on which the claimant receives the notice; and

(d) State that a claim will be barred if the dissolved limited liability company does not receive the claim by the deadline.

(3) A claim against a dissolved limited liability company is barred if the requirements in subsection (2) of this section are met and the company:

(a) Does not receive the claim by the specified deadline; or

(b) Receives the claim timely but rejects the claim and:

(A) Causes the claimant to receive a notice in a record stating that the claim is rejected and will be barred unless the claimant brings an action against the dissolved limited liability company to enforce the claim not later than 90 days after the claimant receives the notice; and

(B) The claimant does not bring an action to enforce the claim within 90 days after receiving the notice.

(4) This section does not apply to a claim that is based on an event that occurs after the date of dissolution or to a liability that, on the

1 date of dissolution, is contingent.

2 **SECTION 64. Other Claims Against Dissolved Limited Liability**
3 **Company.** (1) A dissolved limited liability company may publish a no-
4 tice of the dissolution and in the notice request persons that have
5 claims against the company to present the claims in accordance with
6 the notice.

7 (2) A notice under subsection (1) of this section must:

8 (a) Appear at least once in a newspaper of general circulation in the
9 county of this state in which the dissolved limited liability company's
10 principal office is located or, if the principal office is not located in
11 this state, in the county in which the company's registered agent is
12 or was last located;

13 (b) Describe the information that a claim must include, state that
14 the claim must be in writing and provide a mailing address to which
15 a claimant may send a claim; and

16 (c) State that a claim against the dissolved limited liability com-
17 pany is barred if a claimant does not bring an action to enforce the
18 claim within five years after the date of the notice.

19 (3) If a dissolved limited liability company publishes a notice that
20 complies with the requirements of subsection (2) of this section, a
21 claim from each of the following claimants is barred unless within five
22 years after the date of the notice the claimant brings an action against
23 the dissolved limited liability company to enforce the claim:

24 (a) A claimant that did not receive a notice in a record under sec-
25 tion 63 of this 2025 Act.

26 (b) A claimant that sent a timely claim to the dissolved limited li-
27 ability company, but the company did not act on the claim.

28 (c) A claimant with a claim that on the date of the dissolution was
29 contingent or a claim that is based on an event that occurred after the
30 date of dissolution.

31 (4) A claimant may enforce a claim that is not barred under this

section or under section 63 of this 2025 Act against:

(a) A dissolved limited liability company to the extent of the company's undistributed assets; and

(b) A member or transferee, if the dissolved limited liability company's assets were distributed after dissolution, but only to the extent of the member's or transferee's proportionate share of the claim or of the assets that were distributed to the member or transferee after the dissolution, whichever is less, but a member's or transferee's total liability for all claims under this paragraph may not exceed the total amount of assets that were distributed to the member or transferee after the dissolution.

SECTION 65. Disposition of Assets in Winding Up. (1) In winding up a limited liability company's activities and affairs, the person that conducts the winding up shall apply the company's assets to discharge obligations to creditors, including to members that are creditors.

(2) After complying with subsection (1) of this section, a person that winds up the activities and affairs of a dissolved limited liability company must distribute any surplus in the following order, subject to any charging order that is in effect under section 53 of this 2025 Act:

(a) To each person that owns a transferable interest that reflects contributions the person made that the dissolved limited liability company did not previously return, an amount that is equal to the value of the unreturned contributions; and

(b) Among persons that own transferable interests in proportion to the persons' respective rights to share in distributions immediately before the dissolution of the limited liability company.

(3) If a dissolved limited liability company does not have a surplus that is sufficient to comply with subsection (2)(b) of this section, any surplus must be distributed among the owners of transferable interests in proportion to the value of the respective unreturned contributions.

(4) All distributions under subsections (2) and (3) of this section

1 must be paid in money.

2 (5) If a creditor, claimant or member to which a dissolved limited
3 liability company must distribute assets is not competent to receive
4 the assets or cannot be found, the person that is responsible for liq-
5 uidating or winding up the dissolved limited liability company shall
6 reduce the assets to cash and, within six months after the final dis-
7 tribution from the liquidation or winding up is payable, shall pay or
8 deliver the cash to the State Treasurer for deposit in the Unclaimed
9 Property and Estates Fund under ORS 98.352. The person shall prepare
10 a statement under oath and in duplicate that includes the names and
11 last known addresses of the persons that are entitled to the deposited
12 amounts. The person shall file one statement with the State Treasurer
13 and shall deliver the other statement to the Secretary of State for
14 filing.

15 SECTION 66. Administrative Dissolution. (1)(a) The Secretary of
16 State may dissolve a limited liability company administratively if the
17 limited liability company does not:

18 (A) Pay when due any fee, tax, interest or penalty the limited li-
19 ability company must pay to the Secretary of State or to another
20 agency of the state;

21 (B) Deliver to the Secretary of State for filing an annual report
22 when the annual report is due;

23 (C) Comply with an order of the Secretary of State under section
24 23 of this 2025 Act;

25 (D) Maintain a registered agent in this state; or

26 (E) Notify the Secretary of State that the limited liability
27 company's registered agent or registered office has changed, that the
28 registered agent has resigned or that the registered office was discon-
29 tinued.

30 (b) The Secretary of State may also dissolve a limited liability
31 company administratively if the company becomes the subject of a

1 recommendation for dissolution from the Director of the Department
2 of Revenue under section 23 of this 2025 Act.

3 (2) Before taking action to dissolve a limited liability company ad-
4 ministratively under subsection (3) of this section, the Secretary of
5 State shall serve the company with a notice in a record that states
6 that the Secretary of State has found grounds for the administrative
7 dissolution under subsection (1) of this section.

8 (3) If within 45 days after service of a notice under subsection (2)
9 of this section the limited liability company does not cure the failure
10 the Secretary of State identified or does not demonstrate to the satis-
11 faction of the Secretary of State that grounds for dissolution no longer
12 exist, the Secretary of State may administratively dissolve the com-
13 pany by signing a statement of administrative dissolution that recites
14 the grounds for the dissolution and the effective date of the dissol-
15 ution. The Secretary of State shall file the statement as provided in
16 section 33 of this 2025 Act and serve the limited liability company with
17 a copy of the statement.

18 (4) A limited liability company that is administratively dissolved
19 continues in existence as an entity but may not carry on any activities
20 other than winding up the company's activities and affairs and liqui-
21 dating the company's assets under sections 61, 63, 64 and 65 of this 2025
22 Act, or applying for reinstatement under section 67 of this 2025 Act.

23 (5) An administrative dissolution of a limited liability company does
24 not terminate the authority of the company's registered agent.

25 **SECTION 67. Reinstatement.** (1) A limited liability company that is
26 administratively dissolved under section 66 of this 2025 Act may apply
27 to the Secretary of State for reinstatement not later than five years
28 after the effective date of the dissolution. An application under this
29 section must state:

30 (a) The name of the limited liability company at the time of the
31 administrative dissolution and, if needed, a different name that com-

plies with section 13 of this 2025 Act.

(b) The address of the limited liability company's principal office and the name, address and mailing address of the company's registered agent in this state. All addresses must be physical addresses that include the number and street name.

(c) The effective date of the limited liability company's administrative dissolution.

(d) That the limited liability company has cured all conditions that provided grounds for the Secretary of State to administratively dissolve the company under section 66 of this 2025 Act, or that the conditions no longer exist.

(2) To become reinstated, a limited liability company shall pay all fees, taxes, interest and penalties the company:

(a) Owed to the Secretary of State or to another agency of this state at the time of dissolution; and

(b) Would have owed to the Secretary of State or to another agency of the state during the period in which the limited liability company was dissolved.

(3) If the Secretary of State determines that an application under subsection (1) of this section is complete and correct and that the limited liability company has made all payments described in subsection (2) of this section, the Secretary of State shall prepare and file a statement of reinstatement that:

(a) Identifies the name of the reinstated limited liability company; and

(b) States the Secretary of State's determination and the effective date of the reinstatement.

(4) The Secretary of State may waive the requirement under subsection (1) of this section that the limited liability company apply for reinstatement within five years after the date of administrative dissolution if the company requests the waiver and provides evidence of

1 the company's continued existence as an active concern during the
2 period of administrative dissolution.

3 (5) When a reinstatement under this section becomes effective:

4 (a) The reinstatement relates back to and takes effect as of the ef-
5 fective date of the administrative dissolution; and

6 (b) The limited liability company resumes carrying on the
7 company's activities and affairs as if the administrative dissolution
8 had not occurred.

9 (6) A person's rights that arise out of an act or omission in reliance
10 on the dissolution before the person knew or had notice of the rein-
11 statement are not affected.

12 SECTION 68. Judicial Review of Denial of Reinstatement. (1) If the
13 Secretary of State denies a limited liability company's application for
14 reinstatement following administrative dissolution, the Secretary of
15 State shall serve the company with a notice in a record that explains
16 the reasons for the denial.

17 (2) The limited liability company may appeal the denial of the
18 reinstatement under ORS chapter 183.

19 20 ACTIONS BY MEMBERS 21

22 SECTION 69. Derivative Action. A member may bring a derivative
23 action to enforce a right of a limited liability company if:

24 (1) The member first demands of other members of a member-
25 managed limited liability company or of the managers of a manager-
26 managed limited liability company that the other members or the
27 managers cause the company to bring an action to enforce the right,
28 but the other members or managers do not bring the action within a
29 reasonable time; or

30 (2) A demand under subsection (1) of this section would be futile.

31 SECTION 70. Proper Plaintiff. A person that brings a derivative

1 action to enforce a right of a limited liability company must be a
2 member at the time the action commences and:

3 (1) Must have been a member when the conduct that gave rise to
4 the action occurred; or

5 (2) Must have become a member, by operation of law or under the
6 terms of the limited liability company's operating agreement, as a
7 successor of another person that was a member when the conduct that
8 gave rise to the action occurred.

9 **SECTION 71. Pleading.** In a derivative action, a complaint must
10 state with particularity:

11 (1) The date and content of the plaintiff's demand under section 69
12 of this 2025 Act, and the responses of the members or managers to the
13 plaintiff's demand; or

14 (2) Why a demand should be excused as futile.

15 **SECTION 72. Stay Pending Investigation.** A court may stay any
16 proceeding in a derivative action until a limited liability company
17 completes an investigation of the charges in the complaint, even if the
18 plaintiff did not make a demand under section 69 of this 2025 Act.

19 **SECTION 73. Proceeds and Expenses.** (1) Except as otherwise pro-
20 vided in subsection (2) of this section, any proceeds or other benefits
21 of a derivative action, whether obtained by judgment, compromise or
22 settlement, belong to the limited liability company and not to the
23 plaintiff. If the plaintiff receives any proceeds, the plaintiff shall remit
24 the proceeds immediately to the limited liability company.

25 (2) If a derivative action is successful in whole or in part, a court
26 may award the plaintiff reasonable expenses, including reasonable at-
27 torney fees and costs, from the limited liability company's recovery.

28 (3) A person may not voluntarily dismiss or settle a derivative
29 action on behalf of a limited liability company without the court's
30 approval. If the court determines that a proposed dismissal or settle-
31 ment will substantially affect the interest of a member or a class of

1 members, the court shall require notice to be given to the affected
2 members.

3 **SECTION 74. Purchase of Interest During Court Proceeding.** (1)(a)

4 At any time within 90 days after a member brings an action under
5 section 58 (1)(d) of this 2025 Act to dissolve a limited liability company,
6 or at a time the court determines is equitable, the company or one or
7 more members may elect to purchase at fair value the entire interest
8 of the member that brought the action, not just the member's
9 transferable interest, if the company does not have interests that are
10 listed on a national securities exchange or are regularly traded in a
11 market that one or more members of a national or affiliated securities
12 association maintain.

13 (b) If an election to purchase occurs:

14 (A) The election is irrevocable unless the court determines that
15 setting aside or modifying the election is equitable; and

16 (B) The limited liability company shall notify all members within
17 10 days after the date of the election.

18 (c) A notice that a limited liability company gives under paragraph
19 (b) of this subsection must state:

20 (A) The name of the member that brought the action and the entire
21 interest, including the transferable interest, that the member owns;

22 (B) The name of each member that elects to purchase the interest
23 and the whole transferable interest the electing member owns;

24 (C) The amount that each electing member will pay for the entire
25 interest of the member that brought the action; and

26 (D) That recipients may join in the election to purchase the entire
27 interest.

28 (d) A member that intends to participate under paragraph (c)(D)
29 of this subsection shall notify the court of an intention to join in the
30 election to purchase not later than 30 days after the date of the notice
31 or at a time the court in the court's discretion allows. Each member

1 that elects to purchase the interest or that notifies the court of an
2 intention to participate in the election to purchase becomes a party
3 to the action and participates in the purchase in proportion to the
4 member's right to share in distributions as of the date on which the
5 action commenced, unless the members agree otherwise or the court
6 directs otherwise.

7 (2) The court, at the court's discretion, may allow the limited li-
8 ability company and members to elect to purchase the entire interest
9 of the member that brought the action at a price higher than the
10 amount previously offered. If the court allows the purchase at the
11 higher price, the court shall allow other members an opportunity to
12 join in the election to purchase at the higher price in proportion to
13 each member's right to share in distributions as of the date on which
14 the action commences.

15 (3)(a) After the limited liability company or a member elects to
16 purchase the entire interest of the member that brought the action,
17 the member that brought the action may not discontinue or settle the
18 action or sell or otherwise dispose of any part of the member's entire
19 interest, unless the court determines that permitting the member to
20 discontinue or settle the action or sell or otherwise dispose of the in-
21 terest is equitable for the limited liability company or the other
22 members.

23 (b) In considering whether equity exists to approve any settlement
24 under paragraph (a) of this subsection, the court may consider the
25 reasonable expectations the members had at the time the limited li-
26 ability company was organized, the reasonable expectations that the
27 members developed over the course of the members' relationship with
28 each other and with the limited liability company and any existing
29 agreement among the members. In making a determination under
30 paragraph (a) of this subsection, the court shall endeavor to minimize
31 harm to the limited liability company's business.

1 **(4)(a) If, within 30 days after the court allows the most recent**
2 **election to purchase, the parties agree as to the fair value and terms**
3 **of purchase of the entire interest of the member that brought the**
4 **action, the court shall enter an order directing the purchase of the**
5 **entire interest upon the terms and conditions to which the parties**
6 **agreed.**

7 **(b) If the parties do not within a reasonable time agree as provided**
8 **in paragraph (a) of this subsection, a member may request and the**
9 **court shall grant a stay of the action and shall, under subsection (5)**
10 **of this section, determine the fair value and terms of purchase of the**
11 **entire interest of the member that brought the action as of the day**
12 **before the date on which the member brought the action or as of an-**
13 **other date as the court deems appropriate under the circumstances.**

14 **(5)(a) If the court orders a purchase under subsection (4)(b) of this**
15 **section, the court shall:**

16 **(A) Determine the fair value of the entire interest, with or without**
17 **the assistance of appraisers, taking into account any impact on the**
18 **value of the entire interest that resulted from the actions that gave**
19 **rise to the action;**

20 **(B) Consider any financial or legal constraints on the ability of the**
21 **limited liability company or the purchasing member to purchase the**
22 **entire interest;**

23 **(C) Specify the terms of the purchase, including, if appropriate,**
24 **terms for installment payments, interest at the rate and from the date**
25 **the court determines is equitable, a subordination of the purchase**
26 **obligation to the rights of the limited liability company's other credi-**
27 **tors, security for a deferred purchase price and a covenant not to**
28 **compete or other restriction on the seller;**

29 **(D) Require the seller to deliver the seller's entire interest to the**
30 **purchaser upon receiving the purchase price or the first installment**
31 **of the purchase price;**

1 (E) Retain jurisdiction to enforce the purchase order by, among
2 other remedies, ordering the dissolution of the limited liability com-
3 pany if the purchase is not completed in accordance with the terms
4 of the purchase order; and

5 (F) Require the limited liability company to:

6 (i) Pay reasonable compensation to the appraiser for the appraiser's
7 services; and

8 (ii) Pay the appraiser's reasonable costs and expenses directly or
9 reimburse the appraiser for the costs and expenses.

10 (b) The parties must consummate a purchase the court orders un-
11 der subsection (4)(b) of this section within 20 days after the date the
12 order becomes final unless before the 20-day period expires the limited
13 liability company files with the court a notice of the company's in-
14 tention to dissolve and, within 50 days after filing the notice with the
15 court, delivers articles of dissolution to the Secretary of State for fil-
16 ing.

17 (c) After the court enters the order to purchase and before the
18 purchase price is fully paid, any party may petition the court to mod-
19 ify the terms of the purchase. The court may modify the terms of
20 purchase if the court finds that the modifications are equitable.

21 (d) Unless the court modifies the order to purchase, the selling
22 member is dissociated as a member from the date the selling member
23 delivers the selling member's entire interest to the purchaser or as of
24 another date the court specifies.

25 (e) If the court orders one or more members to purchase the entire
26 interest of the member that brought the action, unless equity requires
27 otherwise the court in allocating the shares that the other members
28 must purchase shall attempt to preserve the existing distribution of
29 voting rights and other designations, preferences, qualifications, limi-
30 tations, restrictions and special or relative rights among the holders
31 of a class or classes of interests and may direct that holders of a spe-

1 cific class or classes not participate in the purchase.

2
3 **FOREIGN LIMITED LIABILITY COMPANIES**

4
5 **SECTION 75. Governing Law.** (1) The law of a foreign limited li-
6 ability company's jurisdiction of formation governs:

7 (a) The internal affairs of the foreign limited liability company;

8 (b) The liability of a member as a member and of a manager as a
9 manager for a debt, obligation or other liability of the foreign limited
10 liability company; and

11 (c) The liability of a series of the foreign limited liability company.

12 (2) A difference between the laws of this state and the laws of a
13 foreign limited liability company's jurisdiction of formation does not
14 preclude the foreign limited liability company from registering to do
15 business in this state.

16 (3) Registration of a foreign limited liability company to do business
17 in this state does not authorize the foreign limited liability company
18 to engage in any activities and affairs or exercise any power that a
19 limited liability company may not engage in or exercise in this state.

20 **SECTION 76. Registration to do Business in this State.** (1) A foreign
21 limited liability company may not do business in this state and may
22 not maintain an action or proceeding in the courts of this state until
23 the company registers with the Secretary of State under section 77 of
24 this 2025 Act.

25 (2) If a foreign limited liability company did not register with the
26 Secretary of State before doing business in this state, a successor of
27 the company or an assignee of a cause of action that arises from the
28 business may not maintain an action or proceeding based on the cause
29 of action in a court of this state until the company or the successor
30 registers with the Secretary of State to do business in this state.

31 (3) A court may stay an action or proceeding that a foreign limited

1 liability company or a successor or assignee of the company com-
2 mences until the court determines whether the company, the succes-
3 sor or the assignee must register with the Secretary of State to do
4 business in this state. If the court determines that registration is re-
5 quired, the court may further stay the action or proceeding until the
6 company, the successor or the assignee registers with the Secretary
7 of State.

8 (4) A foreign limited liability company that does business in this
9 state without registering with the Secretary of State is liable to the
10 state in an amount that is equivalent to all of the fees the company
11 would have paid to the Secretary of State if the company had regis-
12 tered and had delivered for filing all required annual reports during
13 each of the years or parts of years in which the company transacted
14 business in this state without registering.

15 (5) A foreign limited liability company's failure to register to do
16 business in this state does not impair the validity of a contract or act
17 of the company or preclude the company from defending an action or
18 proceeding in this state.

19 (6) A limitation on the liability of a member or manager of a foreign
20 limited liability company is not waived solely because the company
21 does business in this state without registering with the Secretary of
22 State.

23 (7) Section 75 (1) and (2) of this 2025 Act applies even if a foreign
24 limited liability company fails to register with the Secretary of State
25 to do business in this state.

26 SECTION 77. Foreign Registration Statement. To register to do
27 business in this state, a foreign limited liability company shall deliver
28 to the Secretary of State for filing a registration statement that in-
29 cludes all of the following elements:

30 (1) The name of the foreign limited liability company or, if the
31 name the company uses is not available in this state, a name that

1 complies with section 13 of this 2025 Act.

2 (2) A declaration that the foreign limited liability company is a
3 foreign limited liability company.

4 (3) The name of the foreign limited liability company's jurisdiction
5 of formation and the company's registry number in the jurisdiction
6 of formation.

7 (4) The address and mailing address of the foreign limited liability
8 company's principal office and of any other office the company must
9 maintain under the laws of the company's jurisdiction of formation.
10 Each address must be a physical address that includes the number and
11 street name.

12 (5) The name, address and mailing address of the foreign limited
13 liability company's registered agent in this state. Each address must
14 be a physical address that includes the number and street name.

15 (6) An identification of the foreign limited liability company as
16 member-managed or manager-managed.

17 (7) A certificate of existence or a document of similar legal effect
18 that was valid within the 60 days before the date the foreign limited
19 liability company delivered the statement of registration and that is
20 duly authenticated by the official that has custody of the records of
21 limited liability company registrations in the foreign limited liability
22 company's jurisdiction of formation. A foreign limited liability com-
23 pany need not submit a certificate of existence or equivalent document
24 if the official provides free access via the Internet to a searchable da-
25 tabase that has evidence of limited liability company registrations.

26 SECTION 78. Amendment of Foreign Registration Statement. A
27 registered foreign limited liability company shall deliver to the Secre-
28 tary of State for filing an amendment to the company's registration
29 statement if a change occurs in:

30 (1) The name of the registered foreign limited liability company;

31 (2) The registered foreign limited liability company's jurisdiction

1 of formation or the company's registry number in the jurisdiction of
2 formation;

3 (3) The period of the registered foreign limited liability company's
4 duration;

5 (4) An address required under section 77 (4) of this 2025 Act; or

6 (5) The information required under section 77 (5) of this 2025 Act.

7 **SECTION 79. Activities Not Constituting Doing Business.** (1) For
8 the purposes of sections 1 to 125 of this 2025 Act, the following activ-
9 ities of a foreign limited liability company do not constitute doing
10 business in this state:

11 (a) Maintaining, defending, mediating, arbitrating or settling an
12 action or proceeding;

13 (b) Carrying on any activity concerning the foreign limited liability
14 company's internal affairs, including holding meetings among mem-
15 bers or managers;

16 (c) Maintaining accounts in financial institutions;

17 (d) Maintaining offices or agencies for transferring, exchanging and
18 registering the foreign limited liability company's securities or main-
19 taining trustees or depositories with respect to the securities;

20 (e) Selling through independent contractors;

21 (f) Soliciting or obtaining orders by any means if the orders require
22 acceptance outside this state before the orders become contracts;

23 (g) Creating or acquiring indebtedness, mortgages or security in-
24 terests in property;

25 (h) Securing or collecting debts or enforcing mortgages or security
26 interests in property that secures the debts and holding, protecting or
27 maintaining property;

28 (i) Conducting an isolated transaction that is not in the course of
29 similar transactions;

30 (j) Owning property, without more;

31 (k) Engaging in interstate commerce; and

(L) Other activities that are substantially similar or related to the activities described in this subsection.

(2) A person does not do business in this state solely by being a member or manager of a foreign limited liability company that does business in this state.

(3) This section does not apply in determining whether a contract or activity subjects a foreign limited liability company to service of process, taxation or regulation under a law of this state other than sections 1 to 125 of this 2025 Act.

SECTION 80. Noncomplying Name of Foreign Limited Liability Company. (1) A foreign limited liability company may not register to do business in this state if the company's name does not comply with section 13 of this 2025 Act. If the company registers to do business in this state under a different name, the company shall do business in this state under:

(a) The company's name, with the addition of the company's jurisdiction of formation; or

(b) The assumed business name the company registered under ORS chapter 648.

(2) A foreign limited liability company that changes names to a name that does not comply with section 13 of this 2025 Act may not do business in this state until the company complies with subsection (1) of this section.

SECTION 81. Withdrawal Deemed on Conversion to Domestic Filing Entity or Domestic Limited Liability Partnership. A registered foreign limited liability company that converts to a domestic limited liability partnership or to a domestic entity the formation of which requires delivering a record to the Secretary of State for filing withdraws the foreign limited liability company's registration on the effective date of the conversion.

SECTION 82. Withdrawal on Dissolution or Conversion to Nonfiling

Entity Other than Limited Liability Partnership. (1) A registered foreign limited liability company that has dissolved and completed winding up or has converted to a domestic entity or foreign entity the formation of which does not require the public filing of a record, other than a limited liability partnership, shall deliver a statement of withdrawal to the Secretary of State for filing. The statement of withdrawal must:

(a) For a registered foreign limited liability company that completed winding up:

(A) State the name of the registered foreign limited liability company, the name of the company's jurisdiction of formation and the company's registry number in the jurisdiction of formation; and

(B) Declare that the registered foreign limited liability company surrenders the company's registration to do business in this state; and

(b) For a registered foreign limited liability company that has converted:

(A) State the name of the converting registered foreign limited liability company, the name of the company's jurisdiction of formation and the company's registry number in the jurisdiction of formation;

(B) State the entity type into which the registered foreign limited liability company has converted and the converted entity's jurisdiction of formation;

(C) Declare that the converting registered foreign limited liability company surrenders the registration to do business in this state and revokes the authority of the company's registered agent to act as a registered agent in this state on behalf of the company or the converted entity; and

(D) State a mailing address to which service of process may be made under subsection (2) of this section.

(2) After a withdrawal under this section becomes effective, service of process in any action or proceeding that is based on a cause of

action that arose during the time in which the foreign limited liability company was registered to do business in this state may be made in accordance with section 20 of this 2025 Act.

SECTION 83. Transfer of Registration. (1) If a registered foreign limited liability company merged into a foreign entity that is not registered to do business in this state or converted to a foreign entity that must register with the Secretary of State to do business in this state, the foreign entity shall deliver to the Secretary of State for filing an application to transfer the registered foreign limited liability company's registration to the foreign entity. The application must state:

(a) The name of the registered foreign limited liability company before the merger or conversion;

(b) That before the merger or conversion the registration pertained to a foreign limited liability company;

(c) The name of the foreign entity into which the registered foreign limited liability company has merged or converted and to which the company intends to transfer the registration;

(d) The entity type of the foreign entity and the foreign entity's jurisdiction of formation and registry number in the jurisdiction of formation;

(e) The address and mailing address of the principal office of the foreign entity to which the registered foreign limited liability company will transfer the registration and of any other office the foreign entity must maintain under the laws of the foreign entity's jurisdiction of formation, each address being a physical address that includes the number and street name; and

(f) The name, address and mailing address of the foreign entity's registered agent in this state, each address being a physical address that includes the number and street name.

(2) When a transfer of registration under this section becomes ef-

fective, the foreign limited liability company's registration to do business in this state transfers without interruption to the foreign entity into which the foreign limited liability company merged or converted.

SECTION 84. Termination of Registration. (1) The Secretary of State may terminate the registration of a registered foreign limited liability company as provided in subsections (2) and (3) of this section if any of the following grounds exist for the termination:

(a) The registered foreign limited liability company does not:

(A) Timely pay any fee, interest or penalty the registered foreign limited liability company must pay to the Secretary of State under sections 1 to 125 of this 2025 Act or under other applicable law;

(B) Timely deliver to the Secretary of State for filing the annual report required under section 35 of this 2025 Act;

(C) Have a registered agent in this state as required under section 16 of this 2025 Act;

(D) Deliver to the Secretary of State for filing a statement of change under section 17 of this 2025 Act not later than 30 days after a change occurs in the name or address of the registered foreign limited liability company's registered agent;

(E) Comply with an order from the Secretary of State under section 23 of this 2025 Act; or

(F) Comply with the requirements of section 75 (3) of this 2025 Act;

(b) An organizer, manager, member or agent of the registered foreign limited liability company signs a record with intent to deliver the record to the Secretary of State for filing, knowing that the record is false in any material respect;

(c) The Secretary of State receives from the official that has custody of the records of limited liability company registrations in the limited liability company's jurisdiction of formation a duly authenticated certificate that states that the foreign limited liability company was dissolved or has ceased to exist as the result of a merger

1 or other reorganization transaction; or

2 (d) The period of duration of the registered foreign limited liability
3 company expires.

4 (2) The Secretary of State may terminate a registered foreign lim-
5 ited liability company's registration by:

6 (a) Filing a notice of termination or noting the termination in the
7 records of the Secretary of State; and

8 (b) Delivering a copy of the notice or the information in the nota-
9 tion to the registered foreign limited liability company's registered
10 agent or to the company's principal office, if the company does not
11 have a registered agent in this state.

12 (3) The notice must state or the information in the notation must
13 include:

14 (a) The effective date of the termination, which must be at least
15 45 days after the date on which the Secretary of State delivers the copy
16 of the notice or the information in the notation; and

17 (b) The grounds for the termination.

18 (4) The authority of the registered limited liability company to do
19 business in this state ceases on the effective date of the notice of ter-
20 mination or of the notation described in subsection (2) of this section
21 unless before the effective date the company cures each of the grounds
22 for termination listed in the notice or notation. If the registered for-
23 eign limited liability company cures the grounds, the Secretary of
24 State shall file a record that withdraws the termination.

25 (5) The Secretary of State's termination of a registered foreign
26 limited liability company's registration appoints the Secretary of State
27 as the company's agent for service of process in any proceeding based
28 on a cause of action that arose during the time the company was
29 registered to do business in this state.

30 (6) A termination of a registered foreign limited liability company's
31 registration terminates the authority of the company's registered

1 agent.

2 **SECTION 85. Reinstatement of Authority of Foreign Limited Li-**
3 **ability Company.** (1) A foreign limited liability company may apply to
4 reinstate a registration that the Secretary of State terminated under
5 section 84 of this 2025 Act if the company submits the application not
6 later than five years after the effective date of the termination. An
7 application under this section must:

8 (a) State the name of the foreign limited liability company at the
9 time of the termination.

10 (b) State the address of the foreign limited liability company's
11 principal office and the name, address and mailing address of the
12 company's registered agent in this state. All addresses must be phys-
13 ical addresses that include the number and street name.

14 (c) State the effective date of the foreign limited liability company's
15 termination.

16 (d) Declare that the foreign limited liability company has cured all
17 conditions that provided grounds for the Secretary of State to termi-
18 nate the company's registration under section 84 of this 2025 Act, or
19 that the conditions no longer exist.

20 (2) To become reinstated, a foreign limited liability company shall
21 pay all fees, taxes, interest and penalties the foreign limited liability
22 company:

23 (a) Owed to the Secretary of State or to another agency of this state
24 at the time of the termination; and

25 (b) Would have owed to the Secretary of State or to another agency
26 of the state during the period in which the registration of the limited
27 liability company was terminated.

28 (3) If the Secretary of State determines that an application under
29 subsection (1) of this section is complete and correct and that the
30 foreign limited liability company has made all payments described in
31 subsection (2) of this section, the Secretary of State shall prepare and

1 file a statement of reinstatement that:

2 (a) Identifies the name of the reinstated registered foreign limited
3 liability company; and

4 (b) States the substance of the Secretary of State's determination
5 and the effective date of the reinstatement.

6 (4) The Secretary of State may waive the requirement under sub-
7 section (1) of this section that the foreign limited liability company
8 apply for reinstatement within five years after the date of termination
9 if the company requests the waiver and provides evidence of the
10 company's continued existence as an active concern during the period
11 following termination.

12 (5) Once a reinstatement under this section becomes effective:

13 (a) The reinstatement relates back to and takes effect as of the ef-
14 fective date of the termination; and

15 (b) The registered foreign limited liability company resumes carry-
16 ing on the company's activities and affairs as if the termination had
17 not occurred.

18 (6) A person's rights that arise out of an act or omission in reliance
19 on the termination before the person knew or had notice of the rein-
20 statement are not affected.

21 SECTION 86. Judicial Review of Denial of Reinstatement. (1) If the
22 Secretary of State denies a foreign limited liability company's appli-
23 cation for reinstatement following termination, the Secretary of State
24 shall serve the limited liability company with a notice in a record that
25 explains the reasons for the denial.

26 (2) The foreign limited liability company may appeal the denial of
27 the reinstatement under ORS chapter 183.

28 SECTION 87. Withdrawal of Registration of Registered Foreign
29 Limited Liability Company. (1) A registered foreign limited liability
30 company may withdraw the company's registration by delivering a
31 statement of withdrawal to the Secretary of State for filing. The

statement of withdrawal must state:

(a) The name of the registered foreign limited liability company, the name of the company's jurisdiction of formation and the registry number in the jurisdiction of formation;

(b) That the registered foreign limited liability company is not doing business in this state and withdraws the registration to do business in this state;

(c) That the registered foreign limited liability company revokes the authority of the company's registered agent to accept service of process on the company's behalf;

(d) A mailing address to which service of process may be made under subsection (2) of this section; and

(e) That the foreign limited liability company will for a period of five years after the effective date of the withdrawal notify the Secretary of State of any change in the company's mailing address.

(2) After a withdrawal under this section becomes effective, service of process in any action or proceeding that is based on a cause of action that arose during the time in which the foreign limited liability company was registered to do business in this state may be made in accordance with section 20 of this 2025 Act.

SECTION 88. Action by Secretary of State. The Secretary of State may bring an action to enjoin a foreign limited liability company from doing business in this state in violation of sections 1 to 125 of this 2025 Act.

SECTION 89. Taxation of Limited Liability Companies and Members. For purposes of state taxes administered by the Department of Revenue under the tax laws of this state, local taxes administered by the department under ORS 305.620 and assessments, fees, charges and taxes collected by the counties through the property tax rolls, a limited liability company or a registered foreign limited liability company must be classified in the same manner as the limited liability company

or registered foreign limited liability company is classified for federal income tax purposes. For purposes of state taxes administered by the department under the tax laws of this state, local taxes administered by the department under ORS 305.620 and assessments, fees, charges and taxes collected by the counties through the property tax rolls, a member or an assignee of a member of a limited liability company or registered foreign limited liability company has the same status that the member or the assignee has for federal income tax purposes.

MERGER, INTEREST EXCHANGE, CONVERSION AND DOMESTICATION

SECTION 90. Definitions. As used in sections 90 to 120 of this 2025 Act:

(1) “Acquired entity” means an entity all of one or more classes or series of interests of which are acquired in an interest exchange.

(2) “Acquiring entity” means an entity that acquires all of one or more classes or series of interests of an acquired entity in an interest exchange.

(3) “Conversion” means a transaction that occurs in accordance with sections 109 to 114 of this 2025 Act.

(4) “Converted entity” means a converting entity as the entity continues in existence after a conversion.

(5) “Converting entity” means a domestic entity that approves a plan of conversion under section 111 of this 2025 Act or a foreign entity that approves the conversion under the laws of the foreign entity’s jurisdiction of formation.

(6) “Distributional interest” means a right to receive a distribution from an unincorporated entity under the unincorporated entity’s organic law and organic rules.

(7) “Domesticated limited liability company” means a domesticating

1 **limited liability company as the domesticating limited liability com-**
2 **pany continues in existence after a domestication.**

3 **(8) “Domesticating limited liability company” means a limited li-**
4 **ability company that approves a plan of domestication under section**
5 **117 of this 2025 Act or a foreign limited liability company that approves**
6 **a plan of domestication under the laws of the foreign limited liability**
7 **company’s jurisdiction of formation.**

8 **(9) “Domestication” means a transaction authorized under sections**
9 **115 to 120 of this 2025 Act.**

10 **(10) “Domestic entity” means an entity the internal affairs of which**
11 **are governed by the laws of this state.**

12 **(11)(a) “Entity” means:**

13 **(A) Any of the following for-profit entities:**

14 **(i) A professional corporation that is organized under ORS chapter**
15 **58, a predecessor law or a comparable law of another jurisdiction;**

16 **(ii) A corporation that is organized under ORS chapter 60, a prede-**
17 **cessor law or a comparable law of another jurisdiction;**

18 **(iii) A limited liability company that is organized under sections 1**
19 **to 125 of this 2025 Act or a comparable law of another jurisdiction;**

20 **(iv) A partnership that is organized in this state after January 1,**
21 **1998, or that is registered as a limited liability partnership, or that has**
22 **elected to be governed by ORS chapter 67, and a partnership that is**
23 **governed by law of another jurisdiction that expressly provides for**
24 **conversions and mergers; and**

25 **(v) A limited partnership that is organized under ORS chapter 70,**
26 **a predecessor law or a comparable law of another jurisdiction;**

27 **(B) A cooperative that is organized under ORS chapter 62, a prede-**
28 **cessor law or a comparable law of another jurisdiction; and**

29 **(C) A nonprofit corporation that is organized under ORS chapter**
30 **65, a predecessor law or a comparable law of another jurisdiction.**

31 **(b) “Entity” does not include:**

1 **(A) An individual;**

2 **(B) A charitable trust or a trust that has a predominantly donative**
3 **purpose;**

4 **(C) An association or relationship that is not described in paragraph**
5 **(a) of this subsection and is not a limited liability partnership or lim-**
6 **ited partnership under ORS chapter 67 or 70 or under similar pro-**
7 **visions of law in another jurisdiction;**

8 **(D) A decedent's estate; or**

9 **(E) A government or a governmental subdivision, agency or**
10 **instrumentality.**

11 **(12) "Entity type" means the category that describes an entity's**
12 **organizational form, examples of which include partnerships, limited**
13 **partnerships, limited liability partnerships, limited liability companies,**
14 **corporations, nonprofit corporations, cooperatives and other forms**
15 **that are recognized under common law or are organized under a law**
16 **of this state or of another jurisdiction.**

17 **(13)(a) "Filing entity" means an entity the formation of which re-**
18 **quires filing a public organic record.**

19 **(b) "Filing entity" does not include a limited liability partnership.**

20 **(14) "Foreign entity" means an entity the internal affairs of which**
21 **are subject to the laws of a jurisdiction other than this state.**

22 **(15) "Governance interest" means a right under an unincorporated**
23 **entity's organic law or organic rules, other than a right as a governor,**
24 **agent, assignee or proxy, to:**

25 **(a) Demand or receive access to an entity's books and records or**
26 **to other information about the entity;**

27 **(b) Vote for or consent to the election of the governors of the en-**
28 **tity; or**

29 **(c) Receive notice of, vote on or consent to an issue that involves**
30 **the internal affairs of the entity.**

31 **(16) "Governor" means:**

1 (a) A director of a professional corporation that is organized under
2 ORS chapter 58, a predecessor law or a comparable law of another ju-
3 risdiction;

4 (b) A director of a corporation that is organized under ORS chapter
5 60, a predecessor law or a comparable law of another jurisdiction;

6 (c) A member of a member-managed limited liability company or a
7 manager of a manager-managed limited liability company that is or-
8 ganized under sections 1 to 125 of this 2025 Act or under a comparable
9 law of another jurisdiction;

10 (d) A partner in a partnership that is organized in this state after
11 January 1, 1998, or that is registered as a limited liability partnership,
12 or that has elected to be governed by ORS chapter 67, or a partner in
13 a partnership or a limited liability partnership that is governed by law
14 of another jurisdiction that expressly provides for conversions and
15 mergers;

16 (e) A general partner in a limited partnership that is organized
17 under ORS chapter 70, a predecessor law or a comparable law of an-
18 other jurisdiction; and

19 (f) A director of a cooperative that is organized under ORS chapter
20 62, a predecessor law or a comparable law of another jurisdiction.

21 (17) "Interest" means:

22 (a) A share in a professional corporation that is organized under
23 ORS chapter 58, a predecessor law or a comparable law of another ju-
24 risdiction;

25 (b) A share in a corporation that is organized under ORS chapter
26 60, a predecessor law or a comparable law of another jurisdiction;

27 (c) A membership interest in a limited liability company that is
28 organized under sections 1 to 125 of this 2025 Act or under a compa-
29 rable law of another jurisdiction;

30 (d) A partnership interest in a partnership that is organized in this
31 state after January 1, 1998, or that is registered as a limited liability

1 partnership, or that has elected to be governed by ORS chapter 67, or
2 a partnership interest in a partnership or a limited liability partner-
3 ship that is governed by law of another jurisdiction that expressly
4 provides for conversions and mergers;

5 (e) A partnership interest in a limited partnership that is organized
6 under ORS chapter 70, a predecessor law or a comparable law of an-
7 other jurisdiction;

8 (f) A share or membership in a cooperative that is organized under
9 ORS chapter 62, a predecessor law or a comparable law of another ju-
10 risdiction; or

11 (g) A governance interest or distributional interest in any other
12 type of unincorporated entity.

13 (18) “Interest exchange” means a transaction authorized under
14 sections 103 to 108 of this 2025 Act.

15 (19) “Interest holder” means:

16 (a) A shareholder in a professional corporation that is organized
17 under ORS chapter 58, a predecessor law or a comparable law of an-
18 other jurisdiction;

19 (b) A shareholder in a corporation that is organized under ORS
20 chapter 60, a predecessor law or a comparable law of another juris-
21 diction;

22 (c) A member of a limited liability company that is organized under
23 sections 1 to 125 of this 2025 Act or a comparable law of another ju-
24 risdiction;

25 (d) A partner in a partnership that is organized in this state after
26 January 1, 1998, or that is registered as a limited liability partnership,
27 or that has elected to be governed by ORS chapter 67, or a partner in
28 a partnership or a limited liability partnership that is governed by law
29 of another jurisdiction that expressly provides for conversions and
30 mergers;

31 (e) A general partner in a limited partnership that is organized

1 under ORS chapter 70, a predecessor law or a comparable law of an-
2 other jurisdiction; and

3 (f) A shareholder or member of a cooperative that is organized un-
4 der ORS chapter 62, a predecessor law or a comparable law of another
5 jurisdiction.

6 (20) “Interest holder liability” means:

7 (a) Personal liability for a liability of an entity that a person incurs:

8 (A) Solely by reason of the person’s status as an interest holder;

9 or

10 (B) Under an entity’s organic rules that provide that a specified
11 interest holder or category of interest holders is liable in the interest
12 holder’s capacity as an interest holder for all of an entity’s liabilities
13 or for specified liabilities; or

14 (b) An obligation that an interest holder has under an entity’s or-
15 ganic rules to contribute to the entity.

16 (21) “Merger” means a transaction authorized under sections 97 to
17 102 of this 2025 Act.

18 (22) “Merging entity” means an entity that is a party to a merger
19 and that exists immediately before the merger becomes effective.

20 (23) “Organic law” means the law of an entity’s jurisdiction of for-
21 mation that governs the entity’s internal affairs.

22 (24) “Organic rules” means an entity’s public organic record and
23 private organic rules.

24 (25) “Plan of conversion” means a plan described in section 110 of
25 this 2025 Act.

26 (26) “Plan of domestication” means a plan described in section 116
27 of this 2025 Act.

28 (27) “Plan of interest exchange” means a plan described in section
29 104 of this 2025 Act.

30 (28) “Plan of merger” means a plan described in section 98 of this
31 2025 Act.

(29) “Private organic rules” means rules that govern an entity’s internal affairs, that are binding on all of the entity’s interest holders and that are not part of any public organic record of the entity, even if the rules are not in a record. Examples of private organic rules include:

(a) Bylaws of a professional corporation that is organized under ORS chapter 58, a predecessor law or a comparable law of another jurisdiction;

(b) Bylaws of a corporation that is organized under ORS chapter 60, a predecessor law or a comparable law of another jurisdiction;

(c) An operating agreement of a limited liability company that is organized under sections 1 to 125 of this 2025 Act or a comparable law of another jurisdiction;

(d) A partnership agreement of a partnership that is organized in this state after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by ORS chapter 67, or a partnership agreement of a partnership or a limited liability partnership that is governed by law of another jurisdiction that expressly provides for conversions and mergers;

(e) A partnership agreement of a limited partnership that is organized under ORS chapter 70, a predecessor law or a comparable law of another jurisdiction; and

(f) Bylaws of a cooperative that is organized under ORS chapter 62, a predecessor law or a comparable law of another jurisdiction.

(30) “Protected agreement” means:

(a) A record that is evidence of indebtedness and any related agreement that is effective on and after the effective date of this 2025 Act;

(b) An agreement that is binding on an entity on and after the effective date of this 2025 Act;

(c) The organic rules of an entity that are in effect on or after the

1 effective date of this 2025 Act; or

2 (d) An agreement that binds any of an entity's governors or interest
3 holders and is effective on and after the effective date of this 2025 Act.

4 (31) "Public organic record" means a record the filing of which by
5 the Secretary of State is required in order to form an entity in this
6 state, or any amendment to or restatement of the record. Examples
7 of public organic records include:

8 (a) Articles of incorporation for a professional corporation that is
9 organized under ORS chapter 58, a predecessor law or a comparable
10 law of another jurisdiction;

11 (b) Articles of incorporation for a corporation that is organized
12 under ORS chapter 60, a predecessor law or a comparable law of an-
13 other jurisdiction;

14 (c) Articles of organization for a limited liability company that is
15 organized under sections 1 to 125 of this 2025 Act or a comparable law
16 of another jurisdiction;

17 (d) A registration for a limited liability partnership; and

18 (e) Articles of incorporation for a cooperative that is organized
19 under ORS chapter 62, a predecessor law or a comparable law of an-
20 other jurisdiction.

21 (32) "Registered foreign entity" means a foreign entity that is au-
22 thorized to do business in this state under a registration statement
23 that the Secretary of State filed.

24 (33) "Statement of conversion" means a statement described in
25 section 113 of this 2025 Act.

26 (34) "Statement of domestication" means a statement described in
27 section 119 of this 2025 Act.

28 (35) "Statement of interest exchange" means a statement described
29 in section 107 of this 2025 Act.

30 (36) "Statement of merger" means a statement described in section
31 101 of this 2025 Act.

(37) “Surviving domestic entity” means a surviving entity that is or becomes organized under the laws of this state.

(38) “Surviving entity” means an entity that continues in existence after, or is created by, a merger.

(39) “Surviving foreign entity” means a surviving entity that is or becomes organized under the laws of a jurisdiction other than this state.

SECTION 91. Relationship to Other Laws. (1) Sections 90 to 120 of this 2025 Act do not authorize an act prohibited by, and do not affect the application or requirements of, laws other than sections 90 to 120 of this 2025 Act.

(2) A transaction under sections 90 to 120 of this 2025 Act does not create or impair a person’s right, duty or obligation under the statutory laws of this state, other than sections 90 to 120 of this 2025 Act, relating to a change in control, takeover, business combination, acquisition of controlling shares or a similar transaction that involves a domestic corporation’s merger, acquisition of or by another entity, conversion or domestication, unless:

(a) The transaction complies with any requirements of the law, if the corporation does not survive the transaction; or

(b) A vote of the directors or shareholders of the corporation to approve a plan of merger, plan of interest exchange, plan of conversion or plan of domestication is sufficient to create or impair the right, duty or obligation directly under the law, if the corporation survives the transaction.

SECTION 92. Required Notice or Approval. (1) A domestic entity or foreign entity that must notify or obtain approval from a governmental agency or officer of this state to become a party to a merger shall in the same manner give notice or obtain approval to become a party to an interest exchange, conversion or domestication.

(2) Property that a domestic entity or foreign entity holds for a

1 charitable purpose under the laws of this state immediately before a
2 transaction under sections 90 to 120 of this 2025 Act becomes effective
3 may not, as a result of the transaction, be diverted from the purpose
4 for which the property was donated, granted, devised or otherwise
5 transferred unless the domestic entity or foreign entity obtains an
6 order from a circuit court of this state to modify the purpose of the
7 donation, grant or devise or to lift a restriction on the use of the
8 property. The domestic entity or foreign entity shall notify the Attor-
9 ney General of any action the domestic entity or foreign entity brings
10 to seek the order and the court shall allow the Attorney General to
11 be heard before issuing an order.

12 (3) A bequest, devise, gift, grant or promise in a will or another
13 instrument of donation, subscription or conveyance that is made to a
14 merging entity that is not the surviving entity and that takes effect
15 or remains payable after the merger inures to the surviving entity.

16 (4) A trust obligation that would govern property if the property is
17 transferred to an entity that does not survive a transaction under
18 sections 90 to 120 of this 2025 Act applies instead to property that is
19 transferred to the surviving entity under this section.

20 SECTION 93. Nonexclusivity. The fact that a transaction under
21 sections 90 to 120 of this 2025 Act produces a certain result does not
22 preclude other means of accomplishing the result under law other
23 than sections 1 to 125 of this 2025 Act.

24 SECTION 94. Reference to External Facts. A plan of conversion,
25 plan of domestication, plan of interest exchange or plan of merger may
26 refer to facts that are ascertainable outside the plan if the plan spec-
27 ifies the manner in which the facts will operate upon the plan. Facts
28 may include the occurrence of an event or a person's determination
29 or action whether or not the event, determination or action is within
30 the control of a party to the transaction.

31 SECTION 95. Appraisal Rights. An interest holder with an interest

in a limited liability company that is engaging in a conversion, domestication, interest exchange or merger has a contractual right to an appraisal in connection with a transaction under sections 90 to 120 of this 2025 Act to the extent set forth in:

(1) The operating agreement; or

(2) A plan of conversion, plan of domestication, plan of interest exchange or plan of merger.

SECTION 96. Excluded Entities and Transaction. Sections 90 to 120 of this 2025 Act do not authorize an entity to participate in a transaction under sections 90 to 120 of this 2025 Act if another law of this state prohibits, restricts or otherwise exclusively regulates the transaction or the entity's participation in the transaction.

SECTION 97. Merger Authorized. (1) By complying with sections 97 to 102 of this 2025 Act:

(a) A limited liability company may merge with a domestic entity or a foreign entity into a surviving domestic entity or surviving foreign entity; and

(b) Two or more foreign entities may merge into a limited liability company.

(2) By complying with the provisions of sections 97 to 102 of this 2025 Act that apply to foreign entities, a foreign entity may be a party to a merger under sections 97 to 102 of this 2025 Act or may become the surviving entity in the merger if the laws of the foreign entity's jurisdiction of formation authorize the merger.

SECTION 98. Plan of Merger. (1) A limited liability company may become a party to a merger under sections 97 to 102 of this 2025 Act by approving a plan of merger. The plan must be a record and must:

(a) State each merging entity's name, jurisdiction of formation and entity type;

(b) State whether the merger will create a surviving entity and state the surviving entity's name, jurisdiction of formation and entity

1 type;

2 (c) Describe how the merger will convert each party's interests into
3 interests, securities, obligations, money or other property, rights to
4 acquire interests or securities or any combination of interests, secu-
5 rities, obligations, money, property or rights;

6 (d) Include the text of any proposed amendments to the surviving
7 entity's public organic record, if any exists, and private organic rules
8 that are or are proposed be in a record, if the surviving entity existed
9 before the merger;

10 (e) Include the text of the surviving entity's proposed public organic
11 record, if any will exist, and the entity's private organic rules that are
12 or are proposed to be in a record, if the merger creates the surviving
13 entity;

14 (f) Include any other terms and conditions of the merger; and

15 (g) Include any other provision required under the laws of a merg-
16 ing entity's jurisdiction of formation or the merging entity's organic
17 rules.

18 (2) A plan of merger may include, in addition to the elements re-
19 quired under subsection (1) of this section, any other provision not
20 otherwise prohibited by law.

21 SECTION 99. Approval of Merger. (1) A plan of merger is not ef-
22 fective unless:

23 (a) All of the members of the merging limited liability company
24 that may vote on or consent to any matter have approved the plan;
25 and

26 (b) Each member of a merging limited liability company that will
27 have interest holder liability for debts, obligations and other liabilities
28 that are incurred after the merger becomes effective approves the plan
29 in a record, unless:

30 (A) The operating agreement of the merging limited liability com-
31 pany provides in a record for approving a plan of merger in which the

1 affirmative vote or consent of fewer than all of the members of a
2 merging limited liability company can subject all members of the
3 merging limited liability company to interest holder liability; and

4 (B) The member voted for or consented in a record to the provision
5 described in subparagraph (A) of this paragraph or became a member
6 after the provision was adopted.

7 (2) A plan of merger that involves a merging domestic entity that
8 is not a limited liability company is not effective unless the entity
9 approves the plan in accordance with the entity's organic law.

10 (3) A plan of merger that involves a merging foreign entity is not
11 effective unless the entity approves the plan in accordance with the
12 law of the entity's jurisdiction of formation.

13 **SECTION 100. Amendment or Abandonment of Plan of Merger.** (1)

14 A plan of merger may be amended only with the consent of each party
15 to the plan, unless the plan provides otherwise.

16 (2) A merging limited liability company may approve an amendment
17 to a plan of merger:

18 (a) In the same manner as the plan was approved, if the plan does
19 not specify a manner of amendment; or

20 (b) By the members or managers in the manner the plan of merger
21 specifies, but a member that may vote on or consent to approving the
22 plan of merger may vote on or consent to any amendment that will
23 change:

24 (A) The amount or kind of interests, securities, obligations, money
25 or other property, rights to acquire interests or securities or any
26 combination of interests, securities, obligations, money, property or
27 rights that the interest holders of any party to the plan of merger will
28 receive under the plan;

29 (B) The public organic record, if any exists, or the private organic
30 rules of the surviving entity that will become effective immediately
31 after the merger becomes effective, except for changes that under the

1 surviving entity's organic law or organic rules do not require the ap-
2 proval of the interest holders of the surviving entity; or

3 (C) Any other terms or conditions of the plan if the change would
4 adversely affect the member in any material respect.

5 (3) After a plan of merger is approved and before a statement of
6 merger becomes effective, the plan may be abandoned as provided in
7 the plan. A party to the plan may abandon the plan in the same
8 manner as the plan was approved, unless the plan provides otherwise.

9 (4) If a party to a plan of merger abandons the plan after a state-
10 ment of merger was delivered to the Secretary of State for filing and
11 before the statement of merger is effective, before the statement of
12 merger becomes effective the party shall deliver to the Secretary of
13 State for filing a statement of abandonment signed by a party to the
14 plan of merger. The statement of abandonment takes effect upon filing
15 and the merger does not become effective. The statement of abandon-
16 ment must:

17 (a) Identify each party to the plan of merger;

18 (b) State the date on which the Secretary of State filed the state-
19 ment of merger; and

20 (c) Declare that the party has abandoned the plan of merger in ac-
21 cordance with this section.

22 SECTION 101. Statement of Merger; Effective Date of Merger. (1)
23 For a merger to be effective, a plan of merger and statement of merger
24 must be signed by each merging entity and delivered to the Secretary
25 of State for filing.

26 (2) A statement of merger must:

27 (a) State the name, the jurisdiction of formation and the entity type
28 of each merging entity that is not the surviving entity;

29 (b) State the name, the jurisdiction of formation and the entity type
30 of the surviving entity;

31 (c) Include a plan of merger or, in lieu of a plan of merger, a writ-

ten declaration that:

(A) Identifies an address for an office of the surviving entity where the plan of merger is on file; and

(B) States that the surviving entity will provide an owner, member or shareholder of any merging entity with a copy of the plan of merger without charge upon request;

(d) Declare in writing that each merging domestic entity, if any, approved the plan of merger in accordance with sections 97 to 102 of this 2025 Act and that each merging foreign entity, if any, approved the plan of merger in accordance with the law of the foreign entity's jurisdiction of formation;

(e) Include any amendment to the surviving domestic entity's public organic record that the surviving domestic entity approved as part of the plan of merger, if the surviving domestic entity is a filing entity and existed before the merger;

(f) Include the surviving domestic entity's public organic record, if the surviving domestic entity is a filing entity and if the merger created the surviving domestic entity; and

(g) Include an application for registration under ORS 67.603, if the merger created the surviving domestic entity as a domestic limited liability partnership.

(3) In addition to the elements required for a statement of merger under subsection (2) of this section, the statement may include any other provision that is not prohibited by law.

(4) The public organic record of a surviving domestic entity must comply with the requirements of the laws of this state, except that the public organic record does not need to be signed.

(5) Instead of a statement of merger, merging entities may deliver to the Secretary of State for filing a plan of merger that all merging entities have signed and that complies with subsection (2) of this section. A plan of merger that the Secretary of State files under this

subsection has the same effect as a statement of merger. If the Secretary of State files a plan of merger under this subsection, references in sections 97 to 102 of this 2025 Act to a statement of merger refer instead to the plan of merger.

(6) If the surviving entity is a limited liability company, a merger becomes effective when the statement of merger is effective. Otherwise, a merger becomes effective on the later of:

- (a) The date on which the statement of merger is effective; or
- (b) The date that the organic law of the surviving entity specifies.

SECTION 102. Effect of Merger. (1) When a merger becomes effective:

- (a) A surviving entity continues or comes into existence;
- (b) Each merging entity other than the surviving entity ceases to exist;
- (c) All property of each merging entity vests in the surviving entity without transfer, reversion or impairment;
- (d) All debts, obligations and other liabilities of each merging entity are debts, obligations and other liabilities of the surviving entity;
- (e) All the rights, privileges, immunities, powers and purposes of each merging entity vest in the surviving entity, unless applicable law or the plan of merger provides otherwise;
- (f) The name of the surviving entity may be substituted for the name of any merging entity that is a party to any pending action or proceeding;
- (g) The interests in each merging entity that must be converted under the plan of merger are converted and the interest holders of the converted interests have only the rights that the plan of merger specifies plus any appraisal rights available under section 95 of this 2025 Act and the merging entity's organic law;
- (h) For a surviving entity that exists before the merger:
 - (A) All property of the surviving entity remains vested in the sur-

1 **viving entity without transfer, reversion or impairment;**

2 **(B) The surviving entity remains subject to the surviving entity's**
3 **debts, obligations and other liabilities;**

4 **(C) The surviving entity's rights, privileges, immunities, powers and**
5 **purposes remain vested in the surviving entity;**

6 **(D) The surviving entity's public organic record, if any, is amended**
7 **as provided in the plan of merger; and**

8 **(E) Any private organic rules of the surviving entity that are or**
9 **will be in a record are amended as provided in the plan of merger;**

10 **(i) For a surviving entity that the merger creates:**

11 **(A) The surviving entity's private organic rules are effective;**

12 **(B) The surviving entity's public organic record is effective, if the**
13 **surviving entity is a filing entity; and**

14 **(C) An application for registration under ORS 67.603 becomes ef-**
15 **fective, if the surviving entity is a limited liability partnership;**

16 **(j) A person has interest holder liability with respect to a domestic**
17 **entity only to the extent that the domestic entity's organic law speci-**
18 **fies, and only for debts, obligations and other liabilities incurred after**
19 **the merger becomes effective, if the person did not have interest**
20 **holder liability with respect to any of the merging entities and became**
21 **subject to interest holder liability with respect to the domestic entity**
22 **only as a result of the merger;**

23 **(k) For a person that no longer holds an interest in a merging**
24 **limited liability company in which the person previously had interest**
25 **holder liability:**

26 **(A) The merger does not discharge any interest holder liability un-**
27 **der sections 1 to 125 of this 2025 Act that the person incurred before**
28 **the merger became effective;**

29 **(B) The person does not have interest holder liability under sections**
30 **1 to 125 of this 2025 Act for any debt, obligation or other liability that**
31 **the surviving entity incurs after the merger is effective, except that**

1 for a period of one year after the effective date of the merger the
2 person has personal liability for liabilities the surviving entity incurs
3 if:

4 (i) Before the merger the person was a partner in a merging part-
5 nership or a general partner in a merging limited liability partnership
6 and was personally liable for the debts of the partnership or limited
7 liability partnership;

8 (ii) After the merger the person would ordinarily be protected from
9 personal liability; and

10 (iii) Another party to the transaction that created the liability rea-
11 sonably believes that the person has personal liability for any debt,
12 obligation or other liability the surviving entity incurred and did not
13 receive notice of the merger;

14 (C) Sections 1 to 125 of this 2025 Act apply, as if the merger did not
15 occur, to a release, collection or discharge of any of the person's in-
16 terest holder liability that remains under subparagraph (A) of this
17 paragraph; and

18 (D) With respect to any of the person's interest holder liability that
19 remains under subparagraph (A) of this paragraph, the person has the
20 rights of contribution from any other person that are available, as if
21 the merger did not occur, under the merging limited liability
22 company's operating agreement, under sections 1 to 125 of this 2025
23 Act or under law other than sections 1 to 125 of this 2025 Act;

24 (L) A foreign entity that is the surviving entity may be served with
25 process in this state for collecting and enforcing any of a merging
26 limited liability company's debts, obligations or other liabilities as
27 provided in section 20 of this 2025 Act; and

28 (m) A registration to do business in this state for a merging foreign
29 entity that is not the surviving entity is canceled.

30 (2) Except as otherwise provided in a merging entity's organic law
31 or organic rules, a merger does not provide rights to an interest

holder, governor or third party that the interest holder, governor or third party would have upon a dissolution, liquidation or winding up of the merging entity.

SECTION 103. Interest Exchange Authorized. (1) By complying with sections 103 to 108 of this 2025 Act:

(a) A limited liability company may acquire all of one or more classes or series of interests of another domestic entity or foreign entity in exchange for interests, securities, obligations, money or other property, rights to acquire interests or securities or any combination of interests, securities, obligations, money, property or rights; or

(b) Another domestic entity or foreign entity may acquire all of one or more classes or series of interests of a limited liability company in exchange for interests, securities, obligations, money or other property, rights to acquire interests or securities or any combination of interests, securities, obligations, money, property or rights.

(2) By complying with the provisions of sections 103 to 108 of this 2025 Act that apply to foreign entities, a foreign entity may be the acquiring or acquired party in an interest exchange under sections 103 to 108 of this 2025 Act if the laws of the foreign entity's jurisdiction of formation authorize the interest exchange.

(3) If a protected agreement includes a provision that applies to a merger of a limited liability company but does not refer to an interest exchange, the provision applies to an interest exchange in which the limited liability company is the acquired entity as if the interest exchange were a merger until the provision is amended after the effective date of this 2025 Act.

SECTION 104. Plan of Interest Exchange. (1) A limited liability company may be the acquired entity in an interest exchange under sections 103 to 108 of this 2025 Act by approving a plan of interest exchange. The plan must be a record and must:

(a) State the acquired entity's name;

1 (b) State the acquiring entity's name, jurisdiction of formation and
2 entity type;

3 (c) Describe how the interest exchange will convert the acquired
4 entity's interests into interests, securities, obligations, money or other
5 property, rights to acquire interests or securities or any combination
6 of interests, securities, obligations, money, property or rights;

7 (d) Include the text of any proposed amendments to the acquired
8 entity's articles of organization and operating agreement that are or
9 are proposed to be in a record;

10 (e) Include any other terms and conditions of the merger; and

11 (f) Include any other provision required under the laws of this state
12 or the acquired entity's operating agreement.

13 (2) A plan of interest exchange may include, in addition to the ele-
14 ments required under subsection (1) of this section, any other pro-
15 vision not otherwise prohibited by law.

16 SECTION 105. Approval of Interest Exchange. (1) A plan of interest
17 exchange is not effective unless:

18 (a) All of the members of the acquired limited liability company
19 that may vote on or consent to any matter have approved the plan;
20 and

21 (b) Each member of the acquired limited liability company that will
22 have interest holder liability for debts, obligations and other liabilities
23 that are incurred after the interest exchange becomes effective ap-
24 proves the plan in a record, unless:

25 (A) The operating agreement of the acquired limited liability com-
26 pany provides in a record for approving a plan of interest exchange in
27 which the affirmative vote or consent of fewer than all of the members
28 of the company can subject all members of the company to interest
29 holder liability; and

30 (B) The member voted for or consented in a record to the provision
31 described in subparagraph (A) of this paragraph or became a member

1 after the provision was adopted.

2 (2) A plan of interest exchange that involves an acquired domestic
3 entity that is not a limited liability company is not effective unless the
4 entity approves the plan in accordance with the acquired domestic
5 entity's organic law.

6 (3) A plan of interest exchange that involves an acquired foreign
7 entity is not effective unless the entity approves the plan in accord-
8 ance with the law of the entity's jurisdiction of formation.

9 (4) Interest holders of an acquiring entity need not approve the in-
10 terest exchange unless the acquiring entity's organic law or organic
11 rules provide otherwise.

12 SECTION 106. Amendment or Abandonment of Plan of Interest
13 Exchange. (1) A plan of interest exchange may be amended only with
14 the consent of each party to the plan, unless the plan provides other-
15 wise.

16 (2) An acquired limited liability company may approve an amend-
17 ment to a plan of interest exchange:

18 (a) In the same manner as the plan was approved, if the plan does
19 not specify a manner of amendment; or

20 (b) By the members or managers in the manner the plan specifies,
21 but a member that may vote on or consent to approving the plan may
22 vote on or consent to any amendment that will change:

23 (A) The amount or kind of interests, securities, obligations, money
24 or other property, rights to acquire interests or securities or any
25 combination of interests, securities, obligations, money, property or
26 rights that any of the members of the acquired limited liability com-
27 pany will receive under the plan;

28 (B) The articles of organization or the operating agreement of the
29 acquired limited liability company that will become effective imme-
30 diately after the interest exchange becomes effective, except for
31 changes that under the acquired limited liability company's operating

1 agreement or under sections 1 to 125 of this 2025 Act do not require
2 the approval of the members; or

3 (C) Any other terms or conditions of the plan if the change would
4 adversely affect the member in any material respect.

5 (3) After a plan of interest exchange is approved and before a
6 statement of interest exchange becomes effective, the plan of interest
7 exchange may be abandoned as provided in the plan. An acquired
8 limited liability company may abandon the plan in the same manner
9 that the company approved the plan, unless the plan provides other-
10 wise.

11 (4) If an acquired limited liability company abandons a plan of in-
12 terest exchange after a statement of interest exchange was delivered
13 to the Secretary of State for filing and before the statement of interest
14 exchange is effective, before the statement of interest exchange be-
15 comes effective the acquired limited liability company shall deliver to
16 the Secretary of State for filing a statement of abandonment signed
17 by the company. The statement of abandonment takes effect upon
18 filing and the interest exchange does not become effective. The state-
19 ment of abandonment must:

20 (a) Identify the acquired limited liability company;

21 (b) State the date on which the Secretary of State filed the state-
22 ment of interest exchange; and

23 (c) Declare that the acquired limited liability company has aban-
24 doned the plan of interest exchange in accordance with this section.

25 SECTION 107. Statement of Interest Exchange; Effective Date of
26 Interest Exchange. (1) For an interest exchange to be effective, an
27 acquired limited liability company must sign and deliver to the Sec-
28 retary of State for filing a plan of interest exchange and a statement
29 of interest exchange.

30 (2) A statement of interest exchange must:

31 (a) State the name of the acquired limited liability company;

(b) State the name, the jurisdiction of formation and the entity type of the acquiring entity;

(c) Include a plan of interest exchange or, in lieu of a plan of interest exchange, a written declaration that:

(A) Identifies an address for an office of the acquiring entity where the plan of interest exchange is on file; and

(B) States that the acquiring entity will provide an owner, member or shareholder of the acquired limited liability company with a copy of the plan of interest exchange without charge upon request;

(d) Declare in writing that the acquired limited liability company approved the plan of interest exchange in accordance with sections 103 to 108 of this 2025 Act; and

(e) Include any amendment to the acquired limited liability's articles of organization that the acquired limited liability company approved as part of the plan of interest exchange.

(3) In addition to the elements required for a statement of interest exchange under subsection (2) of this section, a statement of interest exchange may include any other provision that is not prohibited by law.

(4) Instead of a statement of interest exchange, an acquired limited liability company may deliver to the Secretary of State for filing a plan of interest exchange that the acquired limited liability company has signed and that complies with subsection (2) of this section. A plan of interest exchange that the Secretary of State files under this subsection has the same effect as a statement of interest exchange. If the Secretary of State files a plan of interest exchange under this subsection, references in sections 103 to 108 of this 2025 Act to a statement of interest exchange refer instead to the plan of interest exchange.

(5) An interest exchange becomes effective when the statement of interest exchange is effective.

SECTION 108. Effect of Interest Exchange. (1) When an interest

1 exchange in which the acquired entity is a limited liability company
2 becomes effective:

3 (a) The interests in the acquired limited liability company that are
4 the subject of the interest exchange are converted and the interest
5 holders of the converted interests have only the rights that the plan
6 of interest exchange specifies plus any appraisal rights available under
7 section 95 of this 2025 Act;

8 (b) The acquiring entity becomes the interest holder of the interests
9 of the acquired limited liability company that the acquiring entity ac-
10 quires in accordance with the plan of interest exchange;

11 (c) The acquired limited liability company's articles of organization
12 are amended as provided in the plan of interest exchange;

13 (d) The provisions of the acquired limited liability company's oper-
14 ating agreement that are or will be in a record are amended as pro-
15 vided in the plan of interest exchange;

16 (e) A person has interest holder liability with respect to an domestic
17 entity only to the extent that the domestic entity's organic law speci-
18 fies, and only for debts, obligations and other liabilities incurred after
19 the interest exchange becomes effective, if the person did not have
20 interest holder liability with respect to the acquired limited liability
21 company and became subject to interest holder liability with respect
22 to the domestic entity only as a result of the interest exchange;

23 (f) For a person that no longer holds an interest in an acquired
24 limited liability company in which the person previously had interest
25 holder liability:

26 (A) The interest exchange does not discharge any interest holder
27 liability under sections 1 to 125 of this 2025 Act that the person in-
28 curred before the interest exchange became effective;

29 (B) The person does not have interest holder liability under sections
30 1 to 125 of this 2025 Act for any debt, obligation or other liability that
31 the domestic entity incurs after the interest exchange is effective, ex-

cept that for a period of one year after the effective date of the interest exchange the person has personal liability for liabilities the domestic entity incurs if:

(i) Before the interest exchange the person was a partner in a partnership or a general partner in a limited liability partnership and was personally liable for the debts of the partnership or limited liability partnership;

(ii) After the interest exchange the person would ordinarily be protected from personal liability; and

(iii) Another party to the transaction that created the liability reasonably believes that the person has personal liability for any debt, obligation or other liability the domestic entity incurred and did not receive notice of the interest exchange;

(C) Sections 1 to 125 of this 2025 Act apply, as if the interest exchange did not occur, to a release, collection or discharge of any of the person's interest holder liability that remains under subparagraph (A) of this paragraph; and

(D) With respect to any of the person's interest holder liability that remains under subparagraph (A) of this paragraph, the person has the rights of contribution from any other person that are available, as if the interest exchange did not occur, under the acquired limited liability company's operating agreement, under sections 1 to 125 of this 2025 Act or under law other than sections 1 to 125 of this 2025 Act.

(2) Except as otherwise provided in an acquired limited liability company's operating agreement, an interest exchange does not provide rights to a member, manager or third party that the member, manager or third party would have upon a dissolution, liquidation or winding up of the acquired limited liability company.

SECTION 109. Conversion Authorized. (1) By complying with sections 109 to 114 of this 2025 Act, a limited liability company may become:

1 (a) A different type of domestic entity; or

2 (b) A different type of foreign entity, if the laws of the foreign
3 entity's jurisdiction of formation authorize the conversion.

4 (2) By complying with the provisions of sections 109 to 114 of this
5 2025 Act that apply to foreign entities, a foreign entity that is not a
6 foreign limited liability company may become a limited liability com-
7 pany if the laws of the foreign entity's jurisdiction of formation au-
8 thorize the conversion.

9 **SECTION 110. Plan of Conversion.** (1) A limited liability company
10 may convert to a different entity type under sections 109 to 114 of this
11 2025 Act by approving a plan of conversion. The plan must be a record
12 and must:

13 (a) State the converting limited liability company's name;

14 (b) State the name, jurisdiction of formation and entity type of the
15 converted entity;

16 (c) Describe how the interests in the converting limited liability
17 company will be converted into interests, securities, obligations,
18 money or other property, rights to acquire interests or securities or
19 any combination of interests, securities, obligations, money, property
20 or rights;

21 (d) Include the proposed public organic record of the converted en-
22 tity if the converted entity is a filing entity;

23 (e) Include the full text of the converting entity's private organic
24 rules that are or are proposed to be in a record;

25 (f) Include any other terms and conditions of the conversion; and

26 (g) Include any other provision required under the laws of this state
27 or the converting entity's operating agreement.

28 (2) A plan of conversion may include, in addition to the elements
29 required under subsection (1) of this section, any other provision not
30 otherwise prohibited by law.

31 **SECTION 111. Approval of Conversion.** (1) A plan of conversion is

1 **not effective unless:**

2 (a) The converting limited liability company, and all of the mem-
3 bers of the converting limited liability company that may vote on or
4 consent to any matter, have approved the plan; and

5 (b) Each member of the converted limited liability company that
6 will have interest holder liability for debts, obligations and other li-
7 abilities that are incurred after the conversion becomes effective ap-
8 proves the plan in a record, unless:

9 (A) The operating agreement of the converting limited liability
10 company provides in a record for approving a plan of conversion in
11 which the affirmative vote or consent of fewer than all of the members
12 of the converting limited liability company can subject all members
13 of the converting limited liability company to interest holder liability;
14 and

15 (B) The member voted for or consented in a record to the provision
16 described in subparagraph (A) of this paragraph or became a member
17 after the provision was adopted.

18 (2) A plan of conversion that involves a converting domestic entity
19 that is not a limited liability company is not effective unless the con-
20 verting domestic entity approves the plan of conversion in accordance
21 with the converting domestic entity's organic law.

22 (3) A plan of conversion that involves a converting foreign entity
23 is not effective unless the entity approves the plan in accordance with
24 the law of the entity's jurisdiction of formation.

25 **SECTION 112. Amendment or Abandonment of Plan of Conversion.**

26 (1) A converting limited liability company's plan of conversion may
27 be amended:

28 (a) In the same manner as the plan was approved, if the plan does
29 not specify a manner of amendment; or

30 (b) By the converting limited liability company's members or man-
31 agers in the manner the plan of conversion specifies, but a member

1 that may vote on or consent to approving the plan may vote on or
2 consent to any amendment that will change:

3 (A) The amount or kind of interests, securities, obligations, money
4 or other property, rights to acquire interests or securities or any
5 combination of interests, securities, obligations, money, property or
6 rights that any of the members of the converting limited liability
7 company will receive under the plan of conversion;

8 (B) The public organic record, if any, or private organic rules of the
9 converted entity that will become effective immediately after the
10 conversion becomes effective, except for changes that under the con-
11 verted entity's organic law or organic rule do not require the approval
12 of the interest holders of the converted entity; or

13 (C) Any other terms or conditions of the plan of conversion if the
14 change would adversely affect the member in any material respect.

15 (2) After a converting limited liability company has approved a plan
16 of conversion and before a statement of conversion becomes effective,
17 the converting limited liability company may abandon the plan as
18 provided in the plan. A converting limited liability company may
19 abandon the plan in the same manner that the company approved the
20 plan, unless the plan provides otherwise.

21 (3) If a converting limited liability company abandons a plan of
22 conversion after delivering a statement of conversion to the Secretary
23 of State for filing and before the statement of conversion is effective,
24 before the statement of conversion becomes effective the converting
25 limited liability company shall deliver to the Secretary of State for
26 filing a statement of abandonment signed by the converting limited
27 liability company. The statement of abandonment takes effect upon
28 filing and the conversion does not become effective. The statement of
29 abandonment must:

30 (a) Identify the converting limited liability company;

31 (b) State the date on which the Secretary of State filed the state-

1 **ment of conversion; and**

2 **(c) Declare that the converting limited liability company has aban-**
3 **doned the plan of conversion in accordance with this section.**

4 **SECTION 113. Statement of Conversion; Effective Date of Conver-**
5 **sion. (1) For a conversion to be effective, a converting limited liability**
6 **company must sign and deliver to the Secretary of State for filing a**
7 **plan of conversion and a statement of conversion.**

8 **(2) A statement of conversion must:**

9 **(a) State the name, the jurisdiction of formation and the entity type**
10 **of the converting entity;**

11 **(b) State the name, the jurisdiction of formation and the entity type**
12 **of the converted entity;**

13 **(c) Declare in writing that the converting limited liability company**
14 **approved the plan of conversion in accordance with sections 109 to 114**
15 **of this 2025 Act or, if the converting entity is a foreign entity, that the**
16 **foreign entity approved the plan of conversion in accordance with the**
17 **law of the foreign entity's jurisdiction of formation;**

18 **(d) Include the converted entity's public organic record, if the con-**
19 **verted entity is a filing entity;**

20 **(e) Include an application for registration under ORS 67.603, if the**
21 **converted entity is a domestic limited liability partnership; and**

22 **(f) Include a plan of conversion or, in lieu of a plan of conversion,**
23 **a written declaration that:**

24 **(A) Identifies an address for an office of the converted entity where**
25 **the plan of conversion is on file; and**

26 **(B) States that the converted entity will provide an owner, member**
27 **or shareholder of the converting entity with a copy of the plan of**
28 **conversion without charge upon request.**

29 **(3) In addition to the elements required for a statement of conver-**
30 **sion under subsection (2) of this section, a statement of conversion**
31 **may include any other provision that is not prohibited by law.**

(4) If the converted entity is a domestic entity, the public organic record of the domestic entity must comply with the requirements of the laws of this state, except that the public organic record does not need to be signed.

(5) Instead of a statement of conversion, a converting limited liability company may deliver to the Secretary of State for filing a plan of conversion that the converting limited liability company signed and that complies with subsection (2) of this section. A plan of conversion that the Secretary of State files under this subsection has the same effect as a statement of conversion. If the Secretary of State files a plan of conversion under this subsection, references in sections 109 to 114 of this 2025 Act to a statement of conversion refer instead to the plan of conversion.

(6) If the converted entity is a limited liability company, a conversion becomes effective when the statement of conversion is effective. Otherwise, a conversion becomes effective on the later of:

- (a) The date on which the statement of conversion is effective; or
- (b) The date that the organic law of the converted entity specifies.

SECTION 114. Effect of Conversion. (1) When a conversion becomes effective:

(a) The converted entity is the same entity as the converting entity without interruption and is organized under and subject to the converted entity's organic law;

(b) All property of the converting entity remains vested in the converted entity without transfer, reversion or impairment;

(c) The converted entity remains subject to the converting entity's debts, obligations and other liabilities;

(d) The converting entity's rights, privileges, immunities, powers and purposes remain vested in the converted entity, except as otherwise provided in the plan of conversion or by law;

(e) The name of the converted entity may be substituted for the

1 **name of the converting entity in any pending action or proceeding;**

2 **(f) The converted entity's articles of organization become effective;**

3 **(g) The provisions of the converted entity's operating agreement,**
4 **if any, that are or will be in a record and that were approved as part**
5 **of the plan of conversion become effective;**

6 **(h) An application for registration under ORS 67.603 becomes effec-**
7 **tive, if the converted entity is a limited liability partnership;**

8 **(i) The interests in the converting entity are converted and the in-**
9 **terest holders of the converted interests have only the rights that the**
10 **plan of conversion specifies plus any appraisal rights available under**
11 **section 95 of this 2025 Act;**

12 **(j) A person has interest holder liability with respect to a domestic**
13 **entity only to the extent that the domestic entity's organic law speci-**
14 **fies, and only for debts, obligations and other liabilities incurred after**
15 **the conversion becomes effective, if the person did not have interest**
16 **holder liability with respect to the converting entity and became sub-**
17 **ject to interest holder liability with respect to the domestic entity only**
18 **as a result of the conversion;**

19 **(k) For a person that no longer holds an interest in a converting**
20 **limited liability company in which the person previously had interest**
21 **holder liability:**

22 **(A) The conversion does not discharge any interest holder liability**
23 **under sections 1 to 125 of this 2025 Act that the person incurred before**
24 **the conversion became effective;**

25 **(B) The person does not have interest holder liability under sections**
26 **1 to 125 of this 2025 Act for any debt, obligation or other liability that**
27 **arises after the conversion is effective, except that for a period of one**
28 **year after the effective date of the conversion the person has personal**
29 **liability for liabilities the domestic entity incurs if:**

30 **(i) Before the conversion the person was a partner in a partnership**
31 **or a general partner in a limited liability partnership and was per-**

sonally liable for the debts of the partnership or limited liability partnership;

(ii) After the conversion the person would ordinarily be protected from personal liability; and

(iii) Another party to the transaction that created the liability reasonably believes that the person has personal liability for any debt, obligation or other liability the domestic entity incurred and did not receive notice of the conversion;

(C) Sections 1 to 125 of this 2025 Act apply, as if the conversion did not occur, to a release, collection or discharge of any of the person's interest holder liability that remains under subparagraph (A) of this paragraph; and

(D) With respect to any of the person's interest holder liability that remains under subparagraph (A) of this paragraph, the person has the rights of contribution from any other person that are available, as if the conversion did not occur, under the converted entity's organic rules, under sections 1 to 125 of this 2025 Act or under law other than sections 1 to 125 of this 2025 Act;

(L) The converting entity's registration of an assumed business name under ORS chapter 648 continues as the assumed business name of the converted entity unless the converted entity is a partnership, in which case the converting entity shall amend or cancel the converting entity's assumed business name registration under ORS chapter 648 and the partners of the converted partnership shall register the converted partnership's name as an assumed business name under ORS chapter 648;

(m) A converted entity that is a foreign entity may be served with process in this state to collect and enforce any of the converted entity's debts, obligations and other liabilities as provided in section 20 of this 2025 Act; and

(n) The converting entity's registration to do business in this state

1 is canceled when the conversion becomes effective, if the converting
2 entity is a registered foreign entity.

3 (2) A conversion does not require a converting entity to wind up the
4 converting entity's activities and affairs and does not cause a dissol-
5 ution of the converting entity.

6 (3) Except as otherwise provided in a converting limited liability
7 company's operating agreement, a conversion does not provide rights
8 to a member, manager or third party that the member, manager or
9 third party would have upon a dissolution, liquidation or winding up
10 of the converting entity.

11 SECTION 115. Domestication Authorized. (1) By complying with
12 sections 115 to 120 of this 2025 Act, a limited liability company may
13 become a foreign limited liability company if the laws of the foreign
14 jurisdiction authorize the domestication.

15 (2) By complying with the provisions of sections 115 to 120 of this
16 2025 Act that apply to foreign entities, a foreign limited liability com-
17 pany may become a limited liability company if the laws of the foreign
18 limited liability company's jurisdiction of formation authorize the
19 domestication.

20 (3) If a protected agreement includes a provision that applies to a
21 merger of a limited liability company but does not refer to a
22 domestication, the provision applies to a domestication of the limited
23 liability company as if the domestication were a merger until the
24 provision is amended after the effective date of this 2025 Act.

25 SECTION 116. Plan of Domestication. (1) A limited liability com-
26 pany may become a foreign limited liability company under sections
27 115 to 120 of this 2025 Act by approving a plan of domestication. The
28 plan must be a record and must:

29 (a) State the domesticating limited liability company's name;

30 (b) State the domesticated limited liability company's name and
31 jurisdiction of formation;

(c) Describe how the interests in the domesticating limited liability company will be converted into interests, securities, obligations, money or other property, rights to acquire interests or securities or any combination of interests, securities, obligations, money, property or rights;

(d) Include the proposed articles of organization for the domesticated limited liability company;

(e) Include the full text of the provisions of the domesticated limited liability company's operating agreement that are or are proposed to be in a record;

(f) Include any other terms and conditions of the domestication; and

(g) Include any other provision required under the laws of this state or the domesticated limited liability company's operating agreement.

(2) A plan of domestication may include, in addition to the elements required under subsection (1) of this section, any other provision not otherwise prohibited by law.

SECTION 117. Approval of Domestication. (1) A plan of domestication is not effective unless:

(a) All of the members of the domesticating limited liability company that may vote on or consent to any matter have approved the plan; and

(b) Each member of the domesticating limited liability company that will have interest holder liability for debts, obligations and other liabilities that are incurred after the domestication becomes effective approves the plan in a record, unless:

(A) The operating agreement of the domesticating limited liability company provides in a record for approving a plan of domestication in which the affirmative vote or consent of fewer than all of the members of the domesticating limited liability company can subject all members of the domesticating limited liability company to interest holder li-

ability; and

(B) The member voted for or consented in a record to the provision described in subparagraph (A) of this paragraph or became a member after the provision was adopted.

(2) A plan of domestication for a domesticating foreign limited liability company is not effective unless the company approves the plan in accordance with the laws of the company's jurisdiction of formation.

SECTION 118. Amendment or Abandonment of Plan of Domestication. (1) A domesticating limited liability company's plan of domestication may be amended:

(a) In the same manner as the plan was approved, if the plan does not specify a manner of amendment; or

(b) By the members or managers in the manner the plan specifies, but a member that may vote on or consent to approving the plan may vote on or consent to any amendment that will change:

(A) The amount or kind of interests, securities, obligations, money or other property, rights to acquire interests or securities or any combination of interests, securities, obligations, money, property or rights that any of the members will receive under the plan;

(B) The articles of organization or operating agreement of the domesticated limited liability company that will become effective immediately after the domestication becomes effective, except for changes that under the company's organic law or operating agreement do not require the approval of the members; or

(C) Any other terms or conditions of the plan if the change would adversely affect the member in any material respect.

(2) After a domesticating limited liability company has approved a plan of domestication and before a statement of domestication becomes effective, the domesticating limited liability company may abandon the plan as provided in the plan. A domesticating limited li-

ability company may abandon the plan in the same manner that the company approved the plan, unless the plan provides otherwise.

(3) If a domesticating limited liability company abandons a plan of domestication after delivering a statement of domestication to the Secretary of State for filing and before the statement of domestication is effective, before the statement of domestication becomes effective the domesticating limited liability company shall deliver to the Secretary of State for filing a statement of abandonment signed by the company. The statement of abandonment takes effect upon filing and the domestication does not become effective. The statement of abandonment must:

(a) Identify the domesticating limited liability company;

(b) State the date on which the Secretary of State filed the statement of domestication; and

(c) Declare that the domesticating limited liability company has abandoned the plan of domestication in accordance with this section.

SECTION 119. Statement of Domestication; Effective Date of Domestication. (1) For a domestication to be effective, a domesticating limited liability company must sign and deliver to the Secretary of State for filing a plan of domestication and a statement of domestication.

(2) A statement of domestication must:

(a) State the name and the jurisdiction of formation of the domesticating limited liability company;

(b) State the name and the jurisdiction of formation of the domesticated limited liability company;

(c) Declare in writing that the domesticating limited liability company approved the plan of domestication in accordance with sections 115 to 120 of this 2025 Act or, if the domesticating limited liability company is a foreign limited liability company, that the foreign limited liability company approved the plan of domestication in accord-

1 ance with the laws of the foreign limited liability company's
2 jurisdiction of formation;

3 (d) Include the domesticated limited liability company's articles of
4 organization; and

5 (e) Include a plan of domestication or, in lieu of a plan of
6 domestication, a written declaration that:

7 (A) Identifies an address for an office of the domesticated limited
8 liability company where the plan of domestication is on file; and

9 (B) States that the domesticated limited liability company will
10 provide an owner, member or shareholder of the domesticating limited
11 liability company with a copy of the plan of domestication without
12 charge upon request.

13 (3) In addition to the elements required for a statement of
14 domestication under subsection (2) of this section, a statement of
15 domestication may include any other provision that is not prohibited
16 by law.

17 (4) If the domesticated entity is a limited liability company, the
18 articles of organization of the domesticated entity must comply with
19 the requirements of the laws of this state, except that the articles of
20 organization do not need to be signed.

21 (5) Instead of a statement of domestication, a domesticating limited
22 liability company may deliver to the Secretary of State for filing a plan
23 of domestication that the company signed and that complies with
24 subsection (2) of this section. A plan of domestication that the Secre-
25 tary of State files under this subsection has the same effect as a
26 statement of domestication. If the Secretary of State files a plan of
27 domestication under this subsection, references in sections 115 to 120
28 of this 2025 Act to a statement of domestication refer instead to the
29 plan of domestication.

30 (6) If the domesticated entity is a limited liability company, a
31 domestication becomes effective when the statement of domestication

1 is effective. Otherwise, a domestication becomes effective on the later
2 of:

3 (a) The date on which the statement of domestication is effective;
4 or

5 (b) The date that the organic law of the domesticated entity speci-
6 fies.

7 SECTION 120. Effect of Domestication. (1) When a domestication
8 becomes effective:

9 (a) The domesticated entity is the same entity as the domesticating
10 entity without interruption and is organized under and subject to the
11 domesticated entity's organic law;

12 (b) All property of the domesticating entity remains vested in the
13 domesticated entity without transfer, reversion or impairment;

14 (c) The domesticated entity remains subject to the domesticating
15 entity's debts, obligations and other liabilities;

16 (d) The domesticating entity's rights, privileges, immunities, pow-
17 ers and purposes remain vested in the domesticated entity, except as
18 otherwise provided in the plan of domestication or by law;

19 (e) The name of the domesticated entity may be substituted for the
20 name of the domesticating entity in any pending action or proceeding;

21 (f) The domesticated entity's articles of organization become effec-
22 tive;

23 (g) The provisions of the domesticated entity's operating agree-
24 ment, if any, that are or will be in a record and that were approved
25 as part of the plan of domestication become effective;

26 (h) The interests in the domesticating entity are converted as pro-
27 vided for and approved in connection with the domestication and the
28 members of the domesticating entity have only the rights that the
29 plan of domestication specifies plus any appraisal rights available un-
30 der section 95 of this 2025 Act;

31 (i) A person has interest holder liability with respect to a domestic

entity only to the extent provided under sections 1 to 125 of this 2025 Act, and only for debts, obligations and other liabilities incurred after the domestication becomes effective, if the person did not have interest holder liability with respect to the domesticating entity and became subject to interest holder liability with respect to the domestic entity only as a result of the domestication;

(j) For a person that no longer holds an interest in a domesticating limited liability company in which the person previously had interest holder liability:

(A) The domestication does not discharge any interest holder liability under sections 1 to 125 of this 2025 Act that the person incurred before the domestication became effective;

(B) The person does not have interest holder liability under sections 1 to 125 of this 2025 Act for any debt, obligation or other liability that arises after the domestication is effective;

(C) Sections 1 to 125 of this 2025 Act apply, as if the domestication did not occur, to a release, collection or discharge of any of the person's interest holder liability that remains under subparagraph (A) of this paragraph; and

(D) With respect to any of the person's interest holder liability that remains under subparagraph (A) of this paragraph, the person has the rights of contribution from any other person that are available, as if the domestication did not occur, under the domesticating limited liability company's operating agreement, under sections 1 to 125 of this 2025 Act or under law other than sections 1 to 125 of this 2025 Act;

(k) The domesticating entity's registration of an assumed business name under ORS chapter 648 continues as the assumed business name of the domesticated entity;

(L) A domesticated entity that is a foreign limited liability company may be served with process in this state to collect and enforce any of the foreign limited liability company's debts, obligations and other li-

abilities as provided in section 20 of this 2025 Act; and

(m) The domesticating limited liability company's registration to do business in this state is canceled when the domestication becomes effective, if the domesticating entity is a registered foreign limited liability company.

(2) Except as otherwise provided in a domesticating limited liability company's organic law or operating agreement, a domestication does not provide rights to a member, manager or third party that the member, manager or third party would have upon a dissolution, liquidation or winding up of the domesticating limited liability company.

(3) A domestication does not require a domesticating limited liability company to wind up the domesticating limited liability company's activities and affairs and does not cause a dissolution of the domesticating limited liability company.

SECTION 121. Uniformity of Application and Construction.

Sections 1 to 125 of this 2025 Act must be applied and construed to effectuate the general purpose to make uniform the law with respect to the subject of sections 1 to 125 of this 2025 Act among states that enact the law.

SECTION 122. Relation to Electronic Signatures in Global and National Commerce Act. (1) Sections 1 to 125 of this 2025 Act modify, limit and supersede the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. 7001 et seq., other than section 7001(c) of that Act, but do not authorize electronic delivery of any of the notices described in 15 U.S.C. 7003(b).

(2) A record described in sections 1 to 125 of this 2025 Act is subject to the provisions of ORS 84.001 to 84.061 if the record may or must be an electronic record, as defined in ORS 84.004.

SECTION 123. Penalty for signing false document. (1) A person commits the crime of signing a false document for filing if the person:

(a) Knows the document is false in any material respect; and

(b) Signs the document with an intent that the document be delivered to the office of the Secretary of State for filing under sections 1 to 125 of this 2025 Act.

(2) Signing a false document for filing is a Class A misdemeanor.

NOTE: Section 124 was deleted. Subsequent sections were not renumbered.

MISCELLANEOUS

SECTION 124a. Existing Entities; Effect of Designation of Management Structure. In the case of a limited liability company that was formed or organized before the effective date of this 2025 Act, language in the limited liability company's articles of organization that designates the limited liability company's management structure operates as if the language were in the limited liability company's operating agreement with respect to:

(1) Designating a limited liability company as a manager-managed limited liability company; and

(2) Determining the effect under section 8 (4) of this 2025 Act of a record delivered to the Secretary of State for filing that conflicts with a provision of the limited liability company's operating agreement.

SECTION 124b. Reservation of Power to Amend or Repeal. (1) The Legislative Assembly may amend or repeal all or part of sections 1 to 125 of this 2025 Act at any time and all domestic and entities that are subject to sections 1 to 125 of this 2025 Act are governed by the amendment or repeal.

(2) The amendment or repeal of a statute in sections 1 to 125 of this 2025 Act does not affect:

(a) The operation of the statute or any action taken under the statute before the statute's amendment or repeal.

(b) Any ratification, right, remedy, privilege, obligation or liability

1 acquired, accrued or incurred under the statute before the statute's
2 amendment or repeal.

3 (c) Any violation of the statute, or any penalty, forfeiture or pun-
4 ishment incurred because of the violation, before the statute's
5 amendment or repeal.

6 (d) Any proceeding, reorganization or dissolution that began under
7 the statute before the statute's amendment or repeal. The proceeding,
8 reorganization or dissolution may be completed in accordance with the
9 statute as if the statute were not amended or repealed.

10 SECTION 125. Effect of Subsequent Amendments and Repeals. An
11 amendment or repeal of a section of sections 1 to 125 of this 2025 Act
12 does not affect:

13 (1) The operation of the statute or any action a person took before
14 the amendment or repeal;

15 (2) Any ratification, right, remedy, privilege, obligation or liability
16 a person acquired, accrued or incurred under the statute before the
17 amendment or repeal;

18 (3) Any violation of the statute or any penalty, forfeiture or pun-
19 ishment for the violation that a person incurred or received before the
20 amendment or repeal; or

21 (4) Any proceeding, reorganization or dissolution that occurred un-
22 der the statute before the amendment or repeal. A proceeding, reor-
23 ganization or dissolution that occurred before the amendment or
24 repeal may continue under the statute as in effect before the amend-
25 ment or repeal.

26 SECTION 126. Application of Act. Sections 1 to 125 of this 2025 Act:

27 (1) Apply only to an entity that is formed or organized after the
28 effective date of this 2025 Act, unless the entity elects to be subject to
29 sections 1 to 125 of this 2025 Act in a manner specified in the entity's
30 operating agreement or private organic rules, as defined in section 90
31 of this 2025 Act, or under a law that governs an amendment of the

operating agreement or private organic rules;

(2) Apply to an entity that merges with another entity, engages in an interest exchange with another entity, converts to a different form of entity or undergoes a domestication on or after the effective date of this 2025 Act;

(3) Apply to contracts into which a person enters on and after the effective date of this 2025 Act; and

(4) Do not affect an action or proceeding that began or a right that accrued before the effective date of this 2025 Act.

SECTION 127. Section 126 of this 2025 Act is amended to read:

Sec. 126. Sections 1 to 125 of this 2025 Act:

(1) Apply [*only to an entity that is formed or organized after the effective date of this 2025 Act, unless the entity elects to be subject to sections 1 to 125 of this 2025 Act in a manner specified in the entity's operating agreement or private organic rules, as defined in section 90 of this 2025 Act, or under a law that governs an amendment of the operating agreement or private organic rules*] **to all limited liability companies regardless of the date of the limited liability company's formation or organization;**

(2) Apply to an entity that merges with another entity, engages in an interest exchange with another entity, converts to a different form of entity or undergoes a domestication on or after the effective date of this 2025 Act;

(3) Apply to contracts into which a person enters on and after the effective date of this 2025 Act; and

(4) Do not affect an action or proceeding that began or a right that accrued before the effective date of this 2025 Act.

SECTION 128. The amendments to section 126 of this 2025 Act by section 127 of this 2025 Act become operative on January 1, 2028.

CONFORMING AMENDMENTS

SECTION 129. ORCP 7 D is amended to read:

1 D Manner of service.

2 D(1) Notice required. Summons shall be served, either within or without
3 this state, in any manner reasonably calculated, under all the circumstances,
4 to apprise the defendant of the existence and pendency of the action and to
5 afford a reasonable opportunity to appear and defend. Summons may be
6 served in a manner specified in this rule or by any other rule or statute on
7 the defendant or on an agent authorized by appointment or law to accept
8 service of summons for the defendant. Service may be made, subject to the
9 restrictions and requirements of this rule, by the following methods: personal
10 service of true copies of the summons and the complaint on defendant or an
11 agent of defendant authorized to receive process; substituted service by
12 leaving true copies of the summons and the complaint at a person's dwelling
13 house or usual place of abode; office service by leaving true copies of the
14 summons and the complaint with a person who is apparently in charge of
15 an office; service by mail; or service by publication.

16 D(2) Service methods.

17 D(2)(a) Personal service. Personal service may be made by delivery of a
18 true copy of the summons and a true copy of the complaint to the person to
19 be served.

20 D(2)(b) Substituted service. Substituted service may be made by delivering
21 true copies of the summons and the complaint at the dwelling house or usual
22 place of abode of the person to be served to any person 14 years of age or
23 older residing in the dwelling house or usual place of abode of the person
24 to be served. Where substituted service is used, the plaintiff, as soon as
25 reasonably possible, shall cause to be mailed by first class mail true copies
26 of the summons and the complaint to the defendant at defendant's dwelling
27 house or usual place of abode, together with a statement of the date, time,
28 and place at which substituted service was made. For the purpose of com-
29 puting any period of time prescribed or allowed by these rules or by statute,
30 substituted service shall be complete on the mailing.

31 D(2)(c) Office service. If the person to be served maintains an office for

1 the conduct of business, office service may be made by leaving true copies
2 of the summons and the complaint at that office during normal working
3 hours with the person who is apparently in charge. Where office service is
4 used, the plaintiff, as soon as reasonably possible, shall cause to be mailed
5 by first class mail true copies of the summons and the complaint to the de-
6 fendant at defendant's dwelling house or usual place of abode or defendant's
7 place of business or any other place under the circumstances that is most
8 reasonably calculated to apprise the defendant of the existence and pendency
9 of the action, together with a statement of the date, time, and place at which
10 office service was made. For the purpose of computing any period of time
11 prescribed or allowed by these rules or by statute, office service shall be
12 complete on the mailing.

13 D(2)(d) Service by mail.

14 D(2)(d)(i) Generally. When service by mail is required or allowed by this
15 rule or by statute, except as otherwise permitted, service by mail shall be
16 made by mailing true copies of the summons and the complaint to the de-
17 fendant by first class mail and by any of the following: certified, registered,
18 or express mail with return receipt requested. For purposes of this para-
19 graph, "first class mail" does not include certified, registered, or express
20 mail, return receipt requested, or any other form of mail that may delay or
21 hinder actual delivery of mail to the addressee.

22 D(2)(d)(ii) Calculation of time. For the purpose of computing any period
23 of time provided by these rules or by statute, service by mail, except as
24 otherwise provided, shall be complete on the day the defendant, or other
25 person authorized by appointment or law, signs a receipt for the mailing, or
26 3 days after the mailing if mailed to an address within the state, or 7 days
27 after the mailing if mailed to an address outside the state, whichever first
28 occurs.

29 D(3) Particular defendants. Service may be made on specified defendants
30 as follows:

31 D(3)(a) Individuals.

1 D(3)(a)(i) Generally. On an individual defendant, by personal delivery of
2 true copies of the summons and the complaint to the defendant or other
3 person authorized by appointment or law to receive service of summons on
4 behalf of the defendant, by substituted service, or by office service. Service
5 may also be made on an individual defendant or other person authorized to
6 receive service to whom neither subparagraph D(3)(a)(ii) nor D(3)(a)(iii) of
7 this rule applies by a mailing made in accordance with paragraph D(2)(d) of
8 this rule provided the defendant or other person authorized to receive service
9 signs a receipt for the certified, registered, or express mailing, in which case
10 service shall be complete on the date on which the defendant signs a receipt
11 for the mailing.

12 D(3)(a)(ii) Minors. On a minor under 14 years of age, by service in the
13 manner specified in subparagraph D(3)(a)(i) of this rule on the minor; and
14 additionally on the minor's father, mother, conservator of the minor's estate,
15 or guardian, or, if there be none, then on any person having the care or
16 control of the minor, or with whom the minor resides, or in whose service
17 the minor is employed, or on a guardian ad litem appointed pursuant to Rule
18 27 B.

19 D(3)(a)(iii) Incapacitated persons. On a person who is incapacitated or is
20 financially incapable, as both terms are defined by ORS 125.005, by service
21 in the manner specified in subparagraph D(3)(a)(i) of this rule on the person
22 and, also, on the conservator of the person's estate or guardian or, if there
23 be none, on a guardian ad litem appointed pursuant to Rule 27 B.

24 D(3)(a)(iv) Tenant of a mail agent. On an individual defendant who is a
25 "tenant" of a "mail agent" within the meaning of ORS 646A.340, by deliver-
26 ing true copies of the summons and the complaint to any person apparently
27 in charge of the place where the mail agent receives mail for the tenant,
28 provided that:

29 D(3)(a)(iv)(A) the plaintiff makes a diligent inquiry but cannot find the
30 defendant; and

31 D(3)(a)(iv)(B) the plaintiff, as soon as reasonably possible after delivery,

1 causes true copies of the summons and the complaint to be mailed by first
2 class mail to the defendant at the address at which the mail agent receives
3 mail for the defendant and to any other mailing address of the defendant
4 then known to the plaintiff, together with a statement of the date, time, and
5 place at which the plaintiff delivered the copies of the summons and the
6 complaint. Service shall be complete on the latest date resulting from the
7 application of subparagraph D(2)(d)(ii) of this rule to all mailings required
8 by this subparagraph unless the defendant signs a receipt for the mailing, in
9 which case service is complete on the day the defendant signs the receipt.

10 D(3)(b) Corporations including, but not limited to, professional corpo-
11 rations and cooperatives. On a domestic or foreign corporation:

12 D(3)(b)(i) Primary service method. By personal service or office service
13 on a registered agent, officer, or director of the corporation; or by personal
14 service on any clerk on duty in the office of a registered agent.

15 D(3)(b)(ii) Alternatives. True copies of the summons and the complaint
16 may be served:

17 D(3)(b)(ii)(A) by substituted service on the registered agent, officer, or
18 director;

19 D(3)(b)(ii)(B) by personal service on any clerk or agent of the corporation;

20 D(3)(b)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of
21 this rule true copies of the summons and the complaint to: the office of the
22 registered agent or to the last registered office of the corporation, if any, as
23 shown by the records on file in the office of the Secretary of State; or, if the
24 corporation is not authorized to transact business in this state at the time
25 of the transaction, event, or occurrence on which the action is based oc-
26 curred, to the principal office or place of business of the corporation; and,
27 in any case, to any address the use of which the plaintiff knows or has rea-
28 son to believe is most likely to result in actual notice; or

29 D(3)(b)(ii)(D) on the Secretary of State in the manner provided in ORS
30 60.121 or 60.731.

31 D(3)(c) Limited liability companies. On a limited liability company **or**

registered foreign limited liability company, as defined in section 2 of this 2025 Act:

D(3)(c)(i) Primary service method. By personal service or office service on a registered agent, manager, or (for a member-managed limited liability company) member of a limited liability company **or registered foreign limited liability company**; or by personal service on any clerk on duty in the office of a registered agent.

D(3)(c)(ii) Alternatives. True copies of the summons and the complaint may be served:

D(3)(c)(ii)(A) by substituted service on the registered agent, manager, or (for a member-managed limited liability company) member of a limited liability company **or registered foreign limited liability company**;

D(3)(c)(ii)(B) by personal service on any clerk or agent of the limited liability company **or registered foreign limited liability company**;

D(3)(c)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of the summons and the complaint to: the office of the registered agent or to the last registered office of the limited liability company **or registered foreign limited liability company**, if any, as shown by the records on file in the office of the Secretary of State; or, if the limited liability company **or registered foreign limited liability company** is not authorized to transact business in this state at the time of the transaction, event, or occurrence on which the action is based occurred, to the principal office or place of business of the limited liability company **or registered foreign limited liability company**; and, in any case, to any address the use of which the plaintiff knows or has reason to believe is most likely to result in actual notice; or

D(3)(c)(ii)(D) on the Secretary of State in the manner provided in ORS 63.121 **or as provided in section 20 of this 2025 Act.**

D(3)(d) Limited partnerships. On a domestic or foreign limited partnership:

D(3)(d)(i) Primary service method. By personal service or **registered**

foreign limited liability company office service on a registered agent or a general partner of a limited partnership; or by personal service on any clerk on duty in the office of a registered agent.

D(3)(d)(ii) Alternatives. True copies of the summons and the complaint may be served:

D(3)(d)(ii)(A) by substituted service on the registered agent or general partner of a limited partnership;

D(3)(d)(ii)(B) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of the summons and the complaint to: the office of the registered agent or to the last registered office of the limited partnership, if any, as shown by the records on file in the office of the Secretary of State; or, if the limited partnership is not authorized to transact business in this state at the time of the transaction, event, or occurrence on which the action is based occurred, to the principal office or place of business of the limited partnership; and, in any case, to any address the use of which the plaintiff knows or has reason to believe is most likely to result in actual notice; or

D(3)(d)(ii)(C) on the Secretary of State in the manner provided in ORS 70.040 or 70.045.

D(3)(e) General partnerships and limited liability partnerships. On any general partnership or limited liability partnership by personal service on a partner or any agent authorized by appointment or law to receive service of summons for the partnership or limited liability partnership.

D(3)(f) Other unincorporated associations subject to suit under a common name. On any other unincorporated association subject to suit under a common name by personal service on an officer, managing agent, or agent authorized by appointment or law to receive service of summons for the unincorporated association.

D(3)(g) State. On the state, by personal service on the Attorney General or by leaving true copies of the summons and the complaint at the Attorney General's office with a deputy, assistant, or clerk.

D(3)(h) Public bodies. On any county; incorporated city; school district;

or other public corporation, commission, board, or agency by personal service or office service on an officer, director, managing agent, or attorney thereof.

D(3)(i) Vessel owners and charterers. On any foreign steamship owner or steamship charterer by personal service on a vessel master in the owner's or charterer's employment or any agent authorized by the owner or charterer to provide services to a vessel calling at a port in the State of Oregon, or a port in the State of Washington on that portion of the Columbia River forming a common boundary with Oregon.

D(4) Particular actions involving motor vehicles.

D(4)(a) Actions arising out of use of roads, highways, streets, or premises open to the public; service by mail.

D(4)(a)(i) In any action arising out of any accident, collision, or other event giving rise to liability in which a motor vehicle may be involved while being operated on the roads, highways, streets, or premises open to the public as defined by law of this state if the plaintiff makes at least one attempt to serve a defendant who operated such motor vehicle, or caused it to be operated on the defendant's behalf, by a method authorized by subsection D(3) of this rule except service by mail pursuant to subparagraph D(3)(a)(i) of this rule and, as shown by its return, did not effect service, the plaintiff may then serve that defendant by mailings made in accordance with paragraph D(2)(d) of this rule addressed to that defendant at:

D(4)(a)(i)(A) any residence address provided by that defendant at the scene of the accident;

D(4)(a)(i)(B) the current residence address, if any, of that defendant shown in the driver records of the Department of Transportation; and

D(4)(a)(i)(C) any other address of that defendant known to the plaintiff at the time of making the mailings required by parts D(4)(a)(i)(A) and D(4)(a)(i)(B) of this rule that reasonably might result in actual notice to that defendant. Sufficient service pursuant to this subparagraph may be shown if the proof of service includes a true copy of the envelope in which each of the certified, registered, or express mailings required by parts D(4)(a)(i)(A),

1 D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule was made showing that it was re-
2 turned to sender as undeliverable or that the defendant did not sign the re-
3 ceipt. For the purpose of computing any period of time prescribed or allowed
4 by these rules or by statute, service under this subparagraph shall be com-
5 plete on the latest date on which any of the mailings required by parts
6 D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule is made. If the mail-
7 ing required by part D(4)(a)(i)(C) of this rule is omitted because the plaintiff
8 did not know of any address other than those specified in parts D(4)(a)(i)(A)
9 and D(4)(a)(i)(B) of this rule, the proof of service shall so certify.

10 D(4)(a)(ii) Any fee charged by the Department of Transportation for pro-
11 viding address information concerning a party served pursuant to subpara-
12 graph D(4)(a)(i) of this rule may be recovered as provided in Rule 68.

13 D(4)(a)(iii) The requirements for obtaining an order of default against a
14 defendant served pursuant to subparagraph D(4)(a)(i) of this rule are as
15 provided in Rule 69 E.

16 D(4)(b) Notification of change of address. Any person who; while operat-
17 ing a motor vehicle on the roads, highways, streets, or premises open to the
18 public as defined by law of this state; is involved in any accident, collision,
19 or other event giving rise to liability shall forthwith notify the Department
20 of Transportation of any change of the person's address occurring within 3
21 years after the accident, collision, or event.

22 D(5) Service in foreign country. When service is to be effected on a party
23 in a foreign country, it is also sufficient if service of true copies of the
24 summons and the complaint is made in the manner prescribed by the law of
25 the foreign country for service in that country in its courts of general ju-
26 risdiction, or as directed by the foreign authority in response to letters
27 rogatory, or as directed by order of the court. However, in all cases service
28 shall be reasonably calculated to give actual notice.

29 D(6) Court order for service by other method. When it appears that ser-
30 vice is not possible under any method otherwise specified in these rules or
31 other rule or statute, then a motion supported by affidavit or declaration

1 may be filed to request a discretionary court order to allow alternative ser-
2 vice by any method or combination of methods that, under the circumstances,
3 is most reasonably calculated to apprise the defendant of the existence and
4 pendency of the action. If the court orders alternative service and the
5 plaintiff knows or with reasonable diligence can ascertain the defendant's
6 current address, the plaintiff must mail true copies of the summons and the
7 complaint to the defendant at that address by first class mail and any of the
8 following: certified, registered, or express mail, return receipt requested. If
9 the plaintiff does not know, and with reasonable diligence cannot ascertain,
10 the current address of any defendant, the plaintiff must mail true copies of
11 the summons and the complaint by the methods specified above to the de-
12 fendant at the defendant's last known address. If the plaintiff does not know,
13 and with reasonable diligence cannot ascertain, the defendant's current and
14 last known addresses, a mailing of copies of the summons and the complaint
15 is not required.

16 D(6)(a) Non-electronic alternative service. Non-electronic forms of alter-
17 native service may include, but are not limited to, publication of summons;
18 mailing without publication to a specified post office address of the defend-
19 ant by first class mail as well as either by certified, registered, or express
20 mail with return receipt requested; or posting at specified locations. The
21 court may specify a response time in accordance with subsection C(2) of this
22 rule.

23 D(6)(a)(i) Alternative service by publication. In addition to the contents
24 of a summons as described in section C of this rule, a published summons
25 must also contain a summary statement of the object of the complaint and
26 the demand for relief, and the notice required in subsection C(3) of this rule
27 must state: "The motion or answer or reply must be given to the court clerk
28 or administrator within 30 days of the date of first publication specified
29 herein along with the required filing fee." The published summons must also
30 contain the date of the first publication of the summons.

31 D(6)(a)(i)(A) Where published. An order for publication must direct pub-

1 lication to be made in a newspaper of general circulation in the county
2 where the action is commenced or, if there is no such newspaper, then in a
3 newspaper to be designated as most likely to give notice to the person to be
4 served. The summons must be published four times in successive calendar
5 weeks. If the plaintiff knows of a specific location other than the county in
6 which the action is commenced where publication might reasonably result
7 in actual notice to the defendant, the plaintiff must so state in the affidavit
8 or declaration required by paragraph D(6) of this rule, and the court may
9 order publication in a comparable manner at that location in addition to, or
10 in lieu of, publication in the county in which the action is commenced.

11 D(6)(a)(ii) Alternative service by posting. The court may order service by
12 posting true copies of the summons and complaint at a designated location
13 in the courthouse where the action is commenced and at any other location
14 that the affidavit or declaration required by subsection D(6) of this rule in-
15 dicates that the posting might reasonably result in actual notice to the de-
16 fendant.

17 D(6)(b) Electronic alternative service. Electronic forms of alternative
18 service may include, but are not limited to: e-mail; text message; facsimile
19 transmission as defined in Rule 9 F; or posting to a social media account.
20 The affidavit or declaration filed with a motion for electronic alternative
21 service must include: verification that diligent inquiry revealed that the
22 defendant's residence address, mailing address, and place of employment are
23 unlikely to accomplish service; the reason that plaintiff believes the defend-
24 ant has recently sent and received transmissions from the specific e-mail
25 address or telephone or facsimile number, or maintains an active social me-
26 dia account on the specific platform the plaintiff asks to use; and facts that
27 indicate the intended recipient is likely to personally receive the electronic
28 transmission. The certificate of service must verify compliance with subpar-
29 agraph D(6)(b)(i) and subparagraph D(6)(b)(ii) of this rule. An amended cer-
30 tificate of service must be filed if it later becomes evident that the intended
31 recipient did not personally receive the electronic transmission.

1 D(6)(b)(i) Content of electronic transmissions. If the court allows service
2 by a specific electronic method, the case name, case number, and name of the
3 court in which the action is pending must be prominently positioned where
4 it is most likely to be read first. For e-mail service, those details must appear
5 in the subject line. For text message service, they must appear in the first
6 line of the first text. For facsimile service, they must appear at the top of
7 the first page. For posting to a social media account, they must appear in
8 the top lines of the posting.

9 D(6)(b)(ii) Format of electronic transmissions. If the court allows alter-
10 native service by an electronic method, the summons, complaint, and any
11 other documents must be attached in a file format that is capable of showing
12 a true copy of the original document. When an electronic method is incapa-
13 ble of transferring transmissions that exceed a certain size, the plaintiff must
14 not exceed those express size limitations. If the size of the attachments ex-
15 ceeds the limitations of any electronic method allowed, then multiple se-
16 quential transmissions may be sent immediately after the initial transmission
17 to complete service.

18 D(6)(c) Unknown heirs or persons. If service cannot be made by another
19 method described in this section because defendants are unknown heirs or
20 persons as described in Rule 20 I and J, the action will proceed against the
21 unknown heirs or persons in the same manner as against named defendants
22 served by publication and with like effect; and any unknown heirs or persons
23 who have or claim any right, estate, lien, or interest in the property in
24 controversy at the time of the commencement of the action, and who are
25 served by publication, will be bound and concluded by the judgment in the
26 action, if the same is in favor of the plaintiff, as effectively as if the action
27 had been brought against those defendants by name.

28 D(6)(d) Defending before or after judgment. A defendant against whom
29 service pursuant to this subsection is ordered or that defendant's represen-
30 tatives, on application and sufficient cause shown, at any time before judg-
31 ment will be allowed to defend the action. A defendant against whom service

pursuant to this subsection is ordered or that defendant's representatives may, on good cause shown and on any terms that may be proper, be allowed to defend after judgment and within one year after entry of judgment. If the defense is successful, and the judgment or any part thereof has been collected or otherwise enforced, restitution may be ordered by the court, but the title to property sold on execution issued on that judgment, to a purchaser in good faith, will not be affected thereby.

D(6)(e) Defendant who cannot be served. Within the meaning of this subsection, a defendant cannot be served with summons by any method authorized by subsection D(3) of this rule if service pursuant to subparagraph D(4)(a)(i) of this rule is not applicable, the plaintiff attempted service of summons by all of the methods authorized by subsection D(3) of this rule, and the plaintiff was unable to complete service; or if the plaintiff knew that service by these methods could not be accomplished.

SECTION 130. ORCP 7 D, as amended by section 129 of this 2025 Act, is amended to read:

D Manner of service.

D(1) Notice required. Summons shall be served, either within or without this state, in any manner reasonably calculated, under all the circumstances, to apprise the defendant of the existence and pendency of the action and to afford a reasonable opportunity to appear and defend. Summons may be served in a manner specified in this rule or by any other rule or statute on the defendant or on an agent authorized by appointment or law to accept service of summons for the defendant. Service may be made, subject to the restrictions and requirements of this rule, by the following methods: personal service of true copies of the summons and the complaint on defendant or an agent of defendant authorized to receive process; substituted service by leaving true copies of the summons and the complaint at a person's dwelling house or usual place of abode; office service by leaving true copies of the summons and the complaint with a person who is apparently in charge of an office; service by mail; or service by publication.

1 D(2) Service methods.

2 D(2)(a) Personal service. Personal service may be made by delivery of a
3 true copy of the summons and a true copy of the complaint to the person to
4 be served.

5 D(2)(b) Substituted service. Substituted service may be made by delivering
6 true copies of the summons and the complaint at the dwelling house or usual
7 place of abode of the person to be served to any person 14 years of age or
8 older residing in the dwelling house or usual place of abode of the person
9 to be served. Where substituted service is used, the plaintiff, as soon as
10 reasonably possible, shall cause to be mailed by first class mail true copies
11 of the summons and the complaint to the defendant at defendant's dwelling
12 house or usual place of abode, together with a statement of the date, time,
13 and place at which substituted service was made. For the purpose of com-
14 puting any period of time prescribed or allowed by these rules or by statute,
15 substituted service shall be complete on the mailing.

16 D(2)(c) Office service. If the person to be served maintains an office for
17 the conduct of business, office service may be made by leaving true copies
18 of the summons and the complaint at that office during normal working
19 hours with the person who is apparently in charge. Where office service is
20 used, the plaintiff, as soon as reasonably possible, shall cause to be mailed
21 by first class mail true copies of the summons and the complaint to the de-
22 fendant at defendant's dwelling house or usual place of abode or defendant's
23 place of business or any other place under the circumstances that is most
24 reasonably calculated to apprise the defendant of the existence and pendency
25 of the action, together with a statement of the date, time, and place at which
26 office service was made. For the purpose of computing any period of time
27 prescribed or allowed by these rules or by statute, office service shall be
28 complete on the mailing.

29 D(2)(d) Service by mail.

30 D(2)(d)(i) Generally. When service by mail is required or allowed by this
31 rule or by statute, except as otherwise permitted, service by mail shall be

1 made by mailing true copies of the summons and the complaint to the de-
2 fendant by first class mail and by any of the following: certified, registered,
3 or express mail with return receipt requested. For purposes of this para-
4 graph, “first class mail” does not include certified, registered, or express
5 mail, return receipt requested, or any other form of mail that may delay or
6 hinder actual delivery of mail to the addressee.

7 D(2)(d)(ii) Calculation of time. For the purpose of computing any period
8 of time provided by these rules or by statute, service by mail, except as
9 otherwise provided, shall be complete on the day the defendant, or other
10 person authorized by appointment or law, signs a receipt for the mailing, or
11 3 days after the mailing if mailed to an address within the state, or 7 days
12 after the mailing if mailed to an address outside the state, whichever first
13 occurs.

14 D(3) Particular defendants. Service may be made on specified defendants
15 as follows:

16 D(3)(a) Individuals.

17 D(3)(a)(i) Generally. On an individual defendant, by personal delivery of
18 true copies of the summons and the complaint to the defendant or other
19 person authorized by appointment or law to receive service of summons on
20 behalf of the defendant, by substituted service, or by office service. Service
21 may also be made on an individual defendant or other person authorized to
22 receive service to whom neither subparagraph D(3)(a)(ii) nor D(3)(a)(iii) of
23 this rule applies by a mailing made in accordance with paragraph D(2)(d) of
24 this rule provided the defendant or other person authorized to receive service
25 signs a receipt for the certified, registered, or express mailing, in which case
26 service shall be complete on the date on which the defendant signs a receipt
27 for the mailing.

28 D(3)(a)(ii) Minors. On a minor under 14 years of age, by service in the
29 manner specified in subparagraph D(3)(a)(i) of this rule on the minor; and
30 additionally on the minor’s father, mother, conservator of the minor’s estate,
31 or guardian, or, if there be none, then on any person having the care or

control of the minor, or with whom the minor resides, or in whose service the minor is employed, or on a guardian ad litem appointed pursuant to Rule 27 B.

D(3)(a)(iii) Incapacitated persons. On a person who is incapacitated or is financially incapable, as both terms are defined by ORS 125.005, by service in the manner specified in subparagraph D(3)(a)(i) of this rule on the person and, also, on the conservator of the person's estate or guardian or, if there be none, on a guardian ad litem appointed pursuant to Rule 27 B.

D(3)(a)(iv) Tenant of a mail agent. On an individual defendant who is a "tenant" of a "mail agent" within the meaning of ORS 646A.340, by delivering true copies of the summons and the complaint to any person apparently in charge of the place where the mail agent receives mail for the tenant, provided that:

D(3)(a)(iv)(A) the plaintiff makes a diligent inquiry but cannot find the defendant; and

D(3)(a)(iv)(B) the plaintiff, as soon as reasonably possible after delivery, causes true copies of the summons and the complaint to be mailed by first class mail to the defendant at the address at which the mail agent receives mail for the defendant and to any other mailing address of the defendant then known to the plaintiff, together with a statement of the date, time, and place at which the plaintiff delivered the copies of the summons and the complaint. Service shall be complete on the latest date resulting from the application of subparagraph D(2)(d)(ii) of this rule to all mailings required by this subparagraph unless the defendant signs a receipt for the mailing, in which case service is complete on the day the defendant signs the receipt.

D(3)(b) Corporations including, but not limited to, professional corporations and cooperatives. On a domestic or foreign corporation:

D(3)(b)(i) Primary service method. By personal service or office service on a registered agent, officer, or director of the corporation; or by personal service on any clerk on duty in the office of a registered agent.

D(3)(b)(ii) Alternatives. True copies of the summons and the complaint

1 may be served:

2 D(3)(b)(ii)(A) by substituted service on the registered agent, officer, or
3 director;

4 D(3)(b)(ii)(B) by personal service on any clerk or agent of the corporation;

5 D(3)(b)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of
6 this rule true copies of the summons and the complaint to: the office of the
7 registered agent or to the last registered office of the corporation, if any, as
8 shown by the records on file in the office of the Secretary of State; or, if the
9 corporation is not authorized to transact business in this state at the time
10 of the transaction, event, or occurrence on which the action is based oc-
11 curred, to the principal office or place of business of the corporation; and,
12 in any case, to any address the use of which the plaintiff knows or has rea-
13 son to believe is most likely to result in actual notice; or

14 D(3)(b)(ii)(D) on the Secretary of State in the manner provided in ORS
15 60.121 or 60.731.

16 D(3)(c) Limited liability companies. On a limited liability company or
17 registered foreign limited liability company, as defined in section 2 of this
18 2025 Act:

19 D(3)(c)(i) Primary service method. By personal service or office service
20 on a registered agent, manager, or (for a member-managed limited liability
21 company) member of a limited liability company or registered foreign limited
22 liability company; or by personal service on any clerk on duty in the office
23 of a registered agent.

24 D(3)(c)(ii) Alternatives. True copies of the summons and the complaint
25 may be served:

26 D(3)(c)(ii)(A) by substituted service on the registered agent, manager, or
27 (for a member-managed limited liability company) member of a limited li-
28 ability company or registered foreign limited liability company;

29 D(3)(c)(ii)(B) by personal service on any clerk or agent of the limited li-
30 ability company or registered foreign limited liability company;

31 D(3)(c)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of

1 this rule true copies of the summons and the complaint to: the office of the
2 registered agent or to the last registered office of the limited liability com-
3 pany or registered foreign limited liability company, if any, as shown by the
4 records on file in the office of the Secretary of State; or, if the limited li-
5 ability company or registered foreign limited liability company is not au-
6 thorized to transact business in this state at the time of the transaction,
7 event, or occurrence on which the action is based occurred, to the principal
8 office or place of business of the limited liability company or registered for-
9 eign limited liability company; and, in any case, to any address the use of
10 which the plaintiff knows or has reason to believe is most likely to result
11 in actual notice; or

12 D(3)(c)(ii)(D) On the Secretary of State in the manner provided in [*ORS*
13 *63.121 or as provided in*] section 20 of this 2025 Act.

14 D(3)(d) Limited partnerships. On a domestic or foreign limited partner-
15 ship:

16 D(3)(d)(i) Primary service method. By personal service or registered for-
17 eign limited liability company office service on a registered agent or a gen-
18 eral partner of a limited partnership; or by personal service on any clerk on
19 duty in the office of a registered agent.

20 D(3)(d)(ii) Alternatives. True copies of the summons and the complaint
21 may be served:

22 D(3)(d)(ii)(A) by substituted service on the registered agent or general
23 partner of a limited partnership;

24 D(3)(d)(ii)(B) by mailing in the manner specified in paragraph D(2)(d) of
25 this rule true copies of the summons and the complaint to: the office of the
26 registered agent or to the last registered office of the limited partnership, if
27 any, as shown by the records on file in the office of the Secretary of State;
28 or, if the limited partnership is not authorized to transact business in this
29 state at the time of the transaction, event, or occurrence on which the action
30 is based occurred, to the principal office or place of business of the limited
31 partnership; and, in any case, to any address the use of which the plaintiff

1 knows or has reason to believe is most likely to result in actual notice; or
 2 D(3)(d)(ii)(C) on the Secretary of State in the manner provided in ORS
 3 70.040 or 70.045.

4 D(3)(e) General partnerships and limited liability partnerships. On any
 5 general partnership or limited liability partnership by personal service on a
 6 partner or any agent authorized by appointment or law to receive service of
 7 summons for the partnership or limited liability partnership.

8 D(3)(f) Other unincorporated associations subject to suit under a common
 9 name. On any other unincorporated association subject to suit under a com-
 10 mon name by personal service on an officer, managing agent, or agent au-
 11 thorized by appointment or law to receive service of summons for the
 12 unincorporated association.

13 D(3)(g) State. On the state, by personal service on the Attorney General
 14 or by leaving true copies of the summons and the complaint at the Attorney
 15 General's office with a deputy, assistant, or clerk.

16 D(3)(h) Public bodies. On any county; incorporated city; school district;
 17 or other public corporation, commission, board, or agency by personal service
 18 or office service on an officer, director, managing agent, or attorney thereof.

19 D(3)(i) Vessel owners and charterers. On any foreign steamship owner or
 20 steamship charterer by personal service on a vessel master in the owner's
 21 or charterer's employment or any agent authorized by the owner or charterer
 22 to provide services to a vessel calling at a port in the State of Oregon, or
 23 a port in the State of Washington on that portion of the Columbia River
 24 forming a common boundary with Oregon.

25 D(4) Particular actions involving motor vehicles.

26 D(4)(a) Actions arising out of use of roads, highways, streets, or premises
 27 open to the public; service by mail.

28 D(4)(a)(i) In any action arising out of any accident, collision, or other
 29 event giving rise to liability in which a motor vehicle may be involved while
 30 being operated on the roads, highways, streets, or premises open to the pub-
 31 lic as defined by law of this state if the plaintiff makes at least one attempt

1 to serve a defendant who operated such motor vehicle, or caused it to be
2 operated on the defendant's behalf, by a method authorized by subsection
3 D(3) of this rule except service by mail pursuant to subparagraph D(3)(a)(i)
4 of this rule and, as shown by its return, did not effect service, the plaintiff
5 may then serve that defendant by mailings made in accordance with para-
6 graph D(2)(d) of this rule addressed to that defendant at:

7 D(4)(a)(i)(A) any residence address provided by that defendant at the
8 scene of the accident;

9 D(4)(a)(i)(B) the current residence address, if any, of that defendant shown
10 in the driver records of the Department of Transportation; and

11 D(4)(a)(i)(C) any other address of that defendant known to the plaintiff
12 at the time of making the mailings required by parts D(4)(a)(i)(A) and
13 D(4)(a)(i)(B) of this rule that reasonably might result in actual notice to that
14 defendant. Sufficient service pursuant to this subparagraph may be shown if
15 the proof of service includes a true copy of the envelope in which each of
16 the certified, registered, or express mailings required by parts D(4)(a)(i)(A),
17 D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule was made showing that it was re-
18 turned to sender as undeliverable or that the defendant did not sign the re-
19 ceipt. For the purpose of computing any period of time prescribed or allowed
20 by these rules or by statute, service under this subparagraph shall be com-
21 plete on the latest date on which any of the mailings required by parts
22 D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule is made. If the mail-
23 ing required by part D(4)(a)(i)(C) of this rule is omitted because the plaintiff
24 did not know of any address other than those specified in parts D(4)(a)(i)(A)
25 and D(4)(a)(i)(B) of this rule, the proof of service shall so certify.

26 D(4)(a)(ii) Any fee charged by the Department of Transportation for pro-
27 viding address information concerning a party served pursuant to subpara-
28 graph D(4)(a)(i) of this rule may be recovered as provided in Rule 68.

29 D(4)(a)(iii) The requirements for obtaining an order of default against a
30 defendant served pursuant to subparagraph D(4)(a)(i) of this rule are as
31 provided in Rule 69 E.

1 D(4)(b) Notification of change of address. Any person who; while operat-
2 ing a motor vehicle on the roads, highways, streets, or premises open to the
3 public as defined by law of this state; is involved in any accident, collision,
4 or other event giving rise to liability shall forthwith notify the Department
5 of Transportation of any change of the person's address occurring within 3
6 years after the accident, collision, or event.

7 D(5) Service in foreign country. When service is to be effected on a party
8 in a foreign country, it is also sufficient if service of true copies of the
9 summons and the complaint is made in the manner prescribed by the law of
10 the foreign country for service in that country in its courts of general ju-
11 risdiction, or as directed by the foreign authority in response to letters
12 rogatory, or as directed by order of the court. However, in all cases service
13 shall be reasonably calculated to give actual notice.

14 D(6) Court order for service by other method. When it appears that ser-
15 vice is not possible under any method otherwise specified in these rules or
16 other rule or statute, then a motion supported by affidavit or declaration
17 may be filed to request a discretionary court order to allow alternative ser-
18 vice by any method or combination of methods that, under the circumstances,
19 is most reasonably calculated to apprise the defendant of the existence and
20 pendency of the action. If the court orders alternative service and the
21 plaintiff knows or with reasonable diligence can ascertain the defendant's
22 current address, the plaintiff must mail true copies of the summons and the
23 complaint to the defendant at that address by first class mail and any of the
24 following: certified, registered, or express mail, return receipt requested. If
25 the plaintiff does not know, and with reasonable diligence cannot ascertain,
26 the current address of any defendant, the plaintiff must mail true copies of
27 the summons and the complaint by the methods specified above to the de-
28 fendant at the defendant's last known address. If the plaintiff does not know,
29 and with reasonable diligence cannot ascertain, the defendant's current and
30 last known addresses, a mailing of copies of the summons and the complaint
31 is not required.

1 D(6)(a) Non-electronic alternative service. Non-electronic forms of alter-
2 native service may include, but are not limited to, publication of summons;
3 mailing without publication to a specified post office address of the defend-
4 ant by first class mail as well as either by certified, registered, or express
5 mail with return receipt requested; or posting at specified locations. The
6 court may specify a response time in accordance with subsection C(2) of this
7 rule.

8 D(6)(a)(i) Alternative service by publication. In addition to the contents
9 of a summons as described in section C of this rule, a published summons
10 must also contain a summary statement of the object of the complaint and
11 the demand for relief, and the notice required in subsection C(3) of this rule
12 must state: “The motion or answer or reply must be given to the court clerk
13 or administrator within 30 days of the date of first publication specified
14 herein along with the required filing fee.” The published summons must also
15 contain the date of the first publication of the summons.

16 D(6)(a)(i)(A) Where published. An order for publication must direct pub-
17 lication to be made in a newspaper of general circulation in the county
18 where the action is commenced or, if there is no such newspaper, then in a
19 newspaper to be designated as most likely to give notice to the person to be
20 served. The summons must be published four times in successive calendar
21 weeks. If the plaintiff knows of a specific location other than the county in
22 which the action is commenced where publication might reasonably result
23 in actual notice to the defendant, the plaintiff must so state in the affidavit
24 or declaration required by paragraph D(6) of this rule, and the court may
25 order publication in a comparable manner at that location in addition to, or
26 in lieu of, publication in the county in which the action is commenced.

27 D(6)(a)(ii) Alternative service by posting. The court may order service by
28 posting true copies of the summons and complaint at a designated location
29 in the courthouse where the action is commenced and at any other location
30 that the affidavit or declaration required by subsection D(6) of this rule in-
31 dicates that the posting might reasonably result in actual notice to the de-

1 fendant.

2 D(6)(b) Electronic alternative service. Electronic forms of alternative
3 service may include, but are not limited to: e-mail; text message; facsimile
4 transmission as defined in Rule 9 F; or posting to a social media account.
5 The affidavit or declaration filed with a motion for electronic alternative
6 service must include: verification that diligent inquiry revealed that the
7 defendant's residence address, mailing address, and place of employment are
8 unlikely to accomplish service; the reason that plaintiff believes the defend-
9 ant has recently sent and received transmissions from the specific e-mail
10 address or telephone or facsimile number, or maintains an active social me-
11 dia account on the specific platform the plaintiff asks to use; and facts that
12 indicate the intended recipient is likely to personally receive the electronic
13 transmission. The certificate of service must verify compliance with subpar-
14 agraph D(6)(b)(i) and subparagraph D(6)(b)(ii) of this rule. An amended cer-
15 tificate of service must be filed if it later becomes evident that the intended
16 recipient did not personally receive the electronic transmission.

17 D(6)(b)(i) Content of electronic transmissions. If the court allows service
18 by a specific electronic method, the case name, case number, and name of the
19 court in which the action is pending must be prominently positioned where
20 it is most likely to be read first. For e-mail service, those details must appear
21 in the subject line. For text message service, they must appear in the first
22 line of the first text. For facsimile service, they must appear at the top of
23 the first page. For posting to a social media account, they must appear in
24 the top lines of the posting.

25 D(6)(b)(ii) Format of electronic transmissions. If the court allows alter-
26 native service by an electronic method, the summons, complaint, and any
27 other documents must be attached in a file format that is capable of showing
28 a true copy of the original document. When an electronic method is incapa-
29 ble of transferring transmissions that exceed a certain size, the plaintiff must
30 not exceed those express size limitations. If the size of the attachments ex-
31 ceeds the limitations of any electronic method allowed, then multiple se-

1 quential transmissions may be sent immediately after the initial transmission
2 to complete service.

3 D(6)(c) Unknown heirs or persons. If service cannot be made by another
4 method described in this section because defendants are unknown heirs or
5 persons as described in Rule 20 I and J, the action will proceed against the
6 unknown heirs or persons in the same manner as against named defendants
7 served by publication and with like effect; and any unknown heirs or persons
8 who have or claim any right, estate, lien, or interest in the property in
9 controversy at the time of the commencement of the action, and who are
10 served by publication, will be bound and concluded by the judgment in the
11 action, if the same is in favor of the plaintiff, as effectively as if the action
12 had been brought against those defendants by name.

13 D(6)(d) Defending before or after judgment. A defendant against whom
14 service pursuant to this subsection is ordered or that defendant's represen-
15 tatives, on application and sufficient cause shown, at any time before judg-
16 ment will be allowed to defend the action. A defendant against whom service
17 pursuant to this subsection is ordered or that defendant's representatives
18 may, on good cause shown and on any terms that may be proper, be allowed
19 to defend after judgment and within one year after entry of judgment. If the
20 defense is successful, and the judgment or any part thereof has been collected
21 or otherwise enforced, restitution may be ordered by the court, but the title
22 to property sold on execution issued on that judgment, to a purchaser in
23 good faith, will not be affected thereby.

24 D(6)(e) Defendant who cannot be served. Within the meaning of this sub-
25 section, a defendant cannot be served with summons by any method author-
26 ized by subsection D(3) of this rule if service pursuant to subparagraph
27 D(4)(a)(i) of this rule is not applicable, the plaintiff attempted service of
28 summons by all of the methods authorized by subsection D(3) of this rule,
29 and the plaintiff was unable to complete service; or if the plaintiff knew that
30 service by these methods could not be accomplished.

31 **SECTION 131. The amendments to ORCP 7 D by section 130 of this**

2025 Act become operative on January 1, 2028.

SECTION 132. ORS 33.025 is amended to read:

33.025. (1) The power of a court to impose a remedial or punitive sanction for contempt of court is an inherent judicial power. ORS 33.015 to 33.155 establish procedures to govern the exercise of that power.

(2) An entity is liable for contempt if:

(a) The conduct constituting contempt is engaged in by an agent of the entity while acting within the scope of employment and on behalf of the entity;

(b) The conduct constituting contempt consists of an omission to discharge a specific duty of affirmative performance imposed on an entity by a court; or

(c) The conduct constituting contempt is engaged in, authorized, solicited, requested, commanded or knowingly tolerated by a high managerial agent of an entity, the board of directors of a corporation, a manager or member of a limited liability company or a partner in a partnership, acting within the scope of employment and on behalf of the entity.

(3) The high managerial agents of an entity, the board of directors of a corporation, the managers and members of a limited liability company and the partners in a partnership are subject to the contempt powers of a court for contempt by an entity if those persons engage in, authorize, solicit, request, command or knowingly tolerate the conduct constituting contempt.

(4) As used in this section:

(a) "Agent" means a person who is authorized to act on behalf of an entity.

(b) "Entity" has the meaning given that term in ORS 63.001 **or, as appropriate, section 90 of this 2025 Act.**

(c) "High managerial agent" means an officer of an entity who exercises authority with respect to the formulation of policy or the supervision in a managerial capacity of subordinate employees, or any other agent in a position of comparable authority.

(d) “Manager” and “member” have the meaning given those terms in ORS 63.001 **or, as appropriate, section 2 of this 2025 Act.**

(e) “Partnership” has the meaning given that term in ORS 67.005.

SECTION 133. ORS 33.025, as amended by section 132 of this 2025 Act, is amended to read:

33.025. (1) The power of a court to impose a remedial or punitive sanction for contempt of court is an inherent judicial power. ORS 33.015 to 33.155 establish procedures to govern the exercise of that power.

(2) An entity is liable for contempt if:

(a) The conduct constituting contempt is engaged in by an agent of the entity while acting within the scope of employment and on behalf of the entity;

(b) The conduct constituting contempt consists of an omission to discharge a specific duty of affirmative performance imposed on an entity by a court; or

(c) The conduct constituting contempt is engaged in, authorized, solicited, requested, commanded or knowingly tolerated by a high managerial agent of an entity, the board of directors of a corporation, a manager or member of a limited liability company or a partner in a partnership, acting within the scope of employment and on behalf of the entity.

(3) The high managerial agents of an entity, the board of directors of a corporation, the managers and members of a limited liability company and the partners in a partnership are subject to the contempt powers of a court for contempt by an entity if those persons engage in, authorize, solicit, request, command or knowingly tolerate the conduct constituting contempt.

(4) As used in this section:

(a) “Agent” means a person who is authorized to act on behalf of an entity.

(b) “Entity” has the meaning given that term in [ORS 63.001 or, as appropriate,] section 90 of this 2025 Act.

(c) “High managerial agent” means an officer of an entity who exercises

authority with respect to the formulation of policy or the supervision in a managerial capacity of subordinate employees, or any other agent in a position of comparable authority.

(d) “Manager” and “member” have the meaning given those terms in [ORS 63.001 or, as appropriate,] section 2 of this 2025 Act.

(e) “Partnership” has the meaning given that term in ORS 67.005.

SECTION 134. The amendments to ORS 33.025 by section 133 of this 2025 Act become operative on January 1, 2028.

SECTION 135. ORS 56.014 is amended to read:

56.014. (1) The Secretary of State is the filing officer under ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 **and sections 1 to 125 of this 2025 Act.**

(2) The duties, powers and authority of the Secretary of State under this chapter apply to the Secretary of State’s functions under ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 **and sections 1 to 125 of this 2025 Act.**

SECTION 136. ORS 56.014, as amended by section 135 of this 2025 Act, is amended to read:

56.014. (1) The Secretary of State is the filing officer under ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 and sections 1 to 125 of this 2025 Act.

(2) The duties, powers and authority of the Secretary of State under this chapter apply to the Secretary of State’s functions under ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 and sections 1 to 125 of this 2025 Act.

SECTION 137. The amendments to ORS 56.014 by section 136 of this 2025 Act become operative on January 1, 2028.

SECTION 138. ORS 56.016 is amended to read:

56.016. (1) Notwithstanding any provisions of ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 or ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 or 661.210 to 661.280 **or sections 1 to 125 of this 2025 Act** relating to the Secretary of State as the filing officer:

(a) A document may be delivered to the office of the Secretary of State for filing by electronic facsimile transmission if the original document is otherwise acceptable for filing.

(b) Any other reproduction of a document may be delivered to the office of the Secretary of State for filing if the original document is otherwise acceptable for filing.

(c) A document delivered under paragraph (a) or (b) of this subsection need not be accompanied by a true copy of the document. After filing a document delivered under paragraph (a) or (b) of this subsection, the Secretary of State shall return an acknowledgment of filing to the domestic or foreign business entity or the representative of the domestic or foreign business entity.

(2) Subsection (1) of this section applies only to documents for which the Secretary of State is the filing officer under ORS 56.014.

(3)(a) The Secretary of State by rule may specify a method, including but not limited to an electronic method, by which the Secretary of State will send a notice, instead of or in addition to a written notice by mail, that is related to a document for which the Secretary of State is the filing officer under ORS 56.014. The Secretary of State shall permit a person that files a document to elect to receive notice by the method that the Secretary of State specifies under this paragraph. If the person does not elect to receive notice by the specified method, the Secretary of State shall send the notice by mail.

(b) The Secretary of State by rule may specify the form and format of and the manner in which a person may make the election described in paragraph (a) of this subsection and submit contact information that is suitable for receiving notice by the method the Secretary of State specifies under para-

graph (a) of this subsection.

(c) Notwithstanding paragraph (a) of this subsection, the Secretary of State may not send a notice required before an administrative dissolution or a suspension or revocation of authority to transact business in this state using any method other than in writing and by mail.

(4) The Secretary of State by rule may establish fees for receiving and sending notices related to documents delivered for filing.

SECTION 139. ORS 56.016, as amended by section 138 of this 2025 Act, is amended to read:

56.016. (1) Notwithstanding any provisions of ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 or ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 or 661.210 to 661.280 or sections 1 to 125 of this 2025 Act relating to the Secretary of State as the filing officer:

(a) A document may be delivered to the office of the Secretary of State for filing by electronic facsimile transmission if the original document is otherwise acceptable for filing.

(b) Any other reproduction of a document may be delivered to the office of the Secretary of State for filing if the original document is otherwise acceptable for filing.

(c) A document delivered under paragraph (a) or (b) of this subsection need not be accompanied by a true copy of the document. After filing a document delivered under paragraph (a) or (b) of this subsection, the Secretary of State shall return an acknowledgment of filing to the domestic or foreign business entity or the representative of the domestic or foreign business entity.

(2) Subsection (1) of this section applies only to documents for which the Secretary of State is the filing officer under ORS 56.014.

(3)(a) The Secretary of State by rule may specify a method, including but not limited to an electronic method, by which the Secretary of State will send a notice, instead of or in addition to a written notice by mail, that is related to a document for which the Secretary of State is the filing officer

under ORS 56.014. The Secretary of State shall permit a person that files a document to elect to receive notice by the method that the Secretary of State specifies under this paragraph. If the person does not elect to receive notice by the specified method, the Secretary of State shall send the notice by mail.

(b) The Secretary of State by rule may specify the form and format of and the manner in which a person may make the election described in paragraph (a) of this subsection and submit contact information that is suitable for receiving notice by the method the Secretary of State specifies under paragraph (a) of this subsection.

(c) Notwithstanding paragraph (a) of this subsection, the Secretary of State may not send a notice required before an administrative dissolution or a suspension or revocation of authority to transact business in this state using any method other than in writing and by mail.

(4) The Secretary of State by rule may establish fees for receiving and sending notices related to documents delivered for filing.

SECTION 140. The amendments to ORS 56.016 by section 139 of this 2025 Act become operative on January 1, 2028.

SECTION 141. ORS 56.022 is amended to read:

56.022. The Secretary of State shall have the power and authority reasonably necessary to enable the Secretary of State to carry out business registry functions and other duties imposed on the Secretary of State under ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 **and sections 1 to 125 of this 2025 Act**, including the authority to promulgate rules governing the procedure and form for submitting documents to be filed by the Secretary of State and the procedure and form for filing and retaining the documents and any other records required to be kept.

SECTION 142. ORS 56.022, as amended by section 141 of this 2025 Act, is amended to read:

56.022. The Secretary of State shall have the power and authority reasonably necessary to enable the Secretary of State to carry out business

1 registry functions and other duties imposed on the Secretary of State under
2 ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 and ORS 128.560 to
3 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 and sections 1 to
4 125 of this 2025 Act, including the authority to promulgate rules governing
5 the procedure and form for submitting documents to be filed by the Secretary
6 of State and the procedure and form for filing and retaining the documents
7 and any other records required to be kept.

8 **SECTION 143. The amendments to ORS 56.022 by section 142 of this**
9 **2025 Act become operative on January 1, 2028.**

10 **SECTION 144.** ORS 56.023 is amended to read:

11 56.023. (1) If a person seeks to make a business registry filing of a name
12 with the Secretary of State under ORS chapter 58, 60, 62, 63, 65, 67, 70, 554
13 or 648 or ORS 128.560 to 128.600 **or sections 1 to 125 of this 2025 Act** that
14 contains the word or words “banc,” “bancorp,” “bank,” “banker,”
15 “banking,” “savings,” “safe deposit,” “trust,” “trustee,” “building and loan”
16 or their equivalents in a language other than English, or a similar word or
17 words in English or an equivalent in a language other than English, imply-
18 ing a business primarily engaged in the lending of money, underwriting or
19 sale of financial products, acting as a depository institution, acting as a fi-
20 nancial planner, financial adviser or acting as a loan broker, the Secretary
21 of State may not accept the name for filing without first receiving specific
22 written approval from the Director of the Department of Consumer and
23 Business Services under the provisions of ORS 705.635.

24 (2) The provisions of subsection (1) of this section do not apply if the
25 Secretary of State is satisfied that the name at issue is in a context clearly
26 not purporting to refer to a banking or other financial activity or not likely
27 to mislead the public about the nature of the business or lead to a pattern
28 and practice of abuse that might cause harm to the interests of the public
29 or the State of Oregon as determined by the Secretary of State.

30 **SECTION 145.** ORS 56.023, as amended by section 144 of this 2025 Act,
31 is amended to read:

1 56.023. (1) If a person seeks to make a business registry filing of a name
2 with the Secretary of State under ORS chapter 58, 60, 62, [63,] 65, 67, 70, 554
3 or 648 or ORS 128.560 to 128.600 or sections 1 to 125 of this 2025 Act that
4 contains the word or words “banc,” “bancorp,” “bank,” “banker,”
5 “banking,” “savings,” “safe deposit,” “trust,” “trustee,” “building and loan”
6 or their equivalents in a language other than English, or a similar word or
7 words in English or an equivalent in a language other than English, imply-
8 ing a business primarily engaged in the lending of money, underwriting or
9 sale of financial products, acting as a depository institution, acting as a fi-
10 nancial planner, financial adviser or acting as a loan broker, the Secretary
11 of State may not accept the name for filing without first receiving specific
12 written approval from the Director of the Department of Consumer and
13 Business Services under the provisions of ORS 705.635.

14 (2) The provisions of subsection (1) of this section do not apply if the
15 Secretary of State is satisfied that the name at issue is in a context clearly
16 not purporting to refer to a banking or other financial activity or not likely
17 to mislead the public about the nature of the business or lead to a pattern
18 and practice of abuse that might cause harm to the interests of the public
19 or the State of Oregon as determined by the Secretary of State.

20 **SECTION 146. The amendments to ORS 56.023 by section 145 of this**
21 **2025 Act become operative on January 1, 2028.**

22 **SECTION 147.** ORS 56.037 is amended to read:

23 56.037. (1) The Secretary of State may refuse to file a document delivered
24 for filing under ORS chapter 58, 60, 62, 63, 65, 67, 70, 79, 87, 194, 305, 465,
25 466, 475, 554, 596, 634, 647, 648, 657 or 713 or under ORS 30.630, 80.115, 80.118
26 or 128.595 **or sections 1 to 125 of this 2025 Act** if the document contains
27 a Social Security number, a state identification number, a driver license
28 number, a credit or debit card number or an account number that is not
29 redacted.

30 (2) For purposes of this section, “redacted” means altered or truncated so
31 that not more than the last four digits of a number are accessible.

SECTION 148. ORS 56.037, as amended by section 147 of this 2025 Act, is amended to read:

56.037. (1) The Secretary of State may refuse to file a document delivered for filing under ORS chapter 58, 60, 62, [63,] 65, 67, 70, 79, 87, 194, 305, 465, 466, 475, 554, 596, 634, 647, 648, 657 or 713 or under ORS 30.630, 80.115, 80.118 or 128.595 or sections 1 to 125 of this 2025 Act if the document contains a Social Security number, a state identification number, a driver license number, a credit or debit card number or an account number that is not redacted.

(2) For purposes of this section, “redacted” means altered or truncated so that not more than the last four digits of a number are accessible.

SECTION 149. **The amendments to ORS 56.037 by section 148 of this 2025 Act become operative on January 1, 2028.**

SECTION 150. ORS 56.110 is amended to read:

56.110. (1) This section applies to certificates of the Secretary of State and documents [*filed by*] the Secretary of State **files** under the business registry functions of the Secretary of State. All certificates issued by the Secretary of State and all copies of documents [*filed in the office of*] the Secretary of State **files**, when certified by the Secretary of State, shall be taken and received in all courts, public offices and official bodies of this state as prima facie evidence of the facts stated in the certificates or documents. A certificate by the Secretary of State as to the compliance or noncompliance of the document with the filing requirements or other provisions of law administered by [*the office of*] the Secretary of State, or as to the existence or nonexistence of the facts relating to the matters contained in the documents which would appear from the presence or absence of documents [*filed in the office of*] the Secretary of State **files**, shall be taken and received in all courts, public offices and official bodies of this state as prima facie evidence of the existence or nonexistence of the facts stated in the certificates or documents.

(2) **A certificate with the Secretary of State’s signature, which may be in facsimile, attached to a copy of a document the Secretary of**

1 **State has filed, is conclusive evidence that the document or a facsimile**
2 **of the document is on file with the Secretary of State.**

3 **NOTE:** Sections 151 and 152 were deleted. Subsequent sections were not
4 renumbered.

5 **SECTION 153.** ORS 56.140 is amended to read:

6 56.140. (1) The Secretary of State shall collect a nonrefundable fee of \$100
7 for each of the following documents delivered to the Secretary of State for
8 filing:

9 (a) Articles of incorporation delivered for filing under ORS 58.085.

10 (b) Articles of incorporation delivered for filing under ORS 60.051.

11 (c) Articles of incorporation delivered for filing under ORS 62.511.

12 (d) Articles of organization delivered for filing under ORS 63.051 **and, if**
13 **appropriate, under section 24 and sections 90 to 120 of this 2025 Act.**

14 (e) Applications for registration delivered for filing under ORS 67.603.

15 (f) Certificates of limited partnership delivered for filing under ORS
16 70.075.

17 (g) Trust documents delivered for filing under ORS 128.575.

18 (h) Articles of incorporation delivered for filing under ORS 554.020.

19 (2) The Secretary of State shall collect a nonrefundable fee of \$100 for
20 annual reports delivered for filing by an entity subject to a fee under sub-
21 section (1) of this section, and for any other related document that the entity
22 may or must file with the Secretary of State.

23 (3)(a) Except as provided in paragraph (b) of this subsection, the Secretary
24 of State shall collect a nonrefundable fee of \$275 for each of the following
25 documents delivered to the Secretary of State for filing:

26 (A) Applications for authority to transact business in this state delivered
27 under ORS 58.134, 60.707, 63.707 or 67.710 **or, if appropriate, section 77 of**
28 **this 2025 Act.**

29 (B) Applications for registration under ORS 70.355.

30 (C) Annual reports delivered for filing by an entity subject to a fee under
31 subparagraph (A) or (B) of this paragraph, and for any other related docu-

ment that the entity may or must file with the Secretary of State.

(b) If an eligible Indian tribe, as defined in ORS 307.181 (4)(a), owns, charters or registers an entity or otherwise authorizes an entity to conduct business and the entity files a document that is subject to a fee under paragraph (a) of this subsection, the Secretary of State shall collect a nonrefundable fee of \$100 for filing the document if the entity accompanies the filing with a certificate showing that the eligible Indian tribe owned, chartered or registered the entity or otherwise authorized the entity to conduct business. The Secretary of State by rule may specify the type or form and format of the certificate that the Secretary of State will accept under this paragraph.

(4) For documents other than those specified in subsections (1), (2) and (3) of this section, except as provided in ORS 65.787 (6), the Secretary of State shall collect a nonrefundable fee of \$50 for each document delivered for filing to the Secretary of State as part of the secretary's business registry functions described in ORS 56.022.

(5) The Secretary of State by rule may establish fees, in addition to those provided for in subsections (1) to (4) of this section, for:

(a) Copying any public record maintained by the secretary and relating to the secretary's business registry functions, and for certifying the copy; and

(b) Certifying to other facts of record, including certificates of existence, relating to the secretary's business registry functions.

(6) The Secretary of State shall collect a nonrefundable fee of \$20 each time process that is related to the Secretary of State's business registry functions is served on the Secretary of State.

(7) The Secretary of State may waive collection of any fee, charge or interest or portion of a fee, charge or interest that the Secretary of State may collect as part of the secretary's business registry functions.

(8) The Secretary of State by rule shall establish and collect reasonable fees for the following services relating to the secretary's business registry functions:

(a) Computer generated lists on electronic data processing media.

(b) Terminal access to the files of the office.

(c) Microfilm records of the files of the office.

(d) Microfilm processing and development services.

(e) Copies of the programs and files on paper or electronic data processing media.

SECTION 154. ORS 56.140, as amended by section 153 of this 2025 Act, is amended to read:

56.140. (1) The Secretary of State shall collect a nonrefundable fee of \$100 for each of the following documents delivered to the Secretary of State for filing:

(a) Articles of incorporation delivered for filing under ORS 58.085.

(b) Articles of incorporation delivered for filing under ORS 60.051.

(c) Articles of incorporation delivered for filing under ORS 62.511.

(d) Articles of organization delivered for filing under [*ORS 63.051 and, if appropriate, under*] section 24 and sections 90 to 120 of this 2025 Act.

(e) Applications for registration delivered for filing under ORS 67.603.

(f) Certificates of limited partnership delivered for filing under ORS 70.075.

(g) Trust documents delivered for filing under ORS 128.575.

(h) Articles of incorporation delivered for filing under ORS 554.020.

(2) The Secretary of State shall collect a nonrefundable fee of \$100 for annual reports delivered for filing by an entity subject to a fee under subsection (1) of this section, and for any other related document that the entity may or must file with the Secretary of State.

(3)(a) Except as provided in paragraph (b) of this subsection, the Secretary of State shall collect a nonrefundable fee of \$275 for each of the following documents delivered to the Secretary of State for filing:

(A) Applications for authority to transact business in this state delivered under ORS 58.134, 60.707[, 63.707] or 67.710 or[, *if appropriate,*] section 77 of this 2025 Act.

(B) Applications for registration under ORS 70.355.

(C) Annual reports delivered for filing by an entity subject to a fee under subparagraph (A) or (B) of this paragraph, and for any other related document that the entity may or must file with the Secretary of State.

(b) If an eligible Indian tribe, as defined in ORS 307.181 (4)(a), owns, charters or registers an entity or otherwise authorizes an entity to conduct business and the entity files a document that is subject to a fee under paragraph (a) of this subsection, the Secretary of State shall collect a nonrefundable fee of \$100 for filing the document if the entity accompanies the filing with a certificate showing that the eligible Indian tribe owned, chartered or registered the entity or otherwise authorized the entity to conduct business. The Secretary of State by rule may specify the type or form and format of the certificate that the Secretary of State will accept under this paragraph.

(4) For documents other than those specified in subsections (1), (2) and (3) of this section, except as provided in ORS 65.787 (6), the Secretary of State shall collect a nonrefundable fee of \$50 for each document delivered for filing to the Secretary of State as part of the secretary's business registry functions described in ORS 56.022.

(5) The Secretary of State by rule may establish fees, in addition to those provided for in subsections (1) to (4) of this section, for:

(a) Copying any public record maintained by the secretary and relating to the secretary's business registry functions, and for certifying the copy; and

(b) Certifying to other facts of record, including certificates of existence, relating to the secretary's business registry functions.

(6) The Secretary of State shall collect a nonrefundable fee of \$20 each time process that is related to the Secretary of State's business registry functions is served on the Secretary of State.

(7) The Secretary of State may waive collection of any fee, charge or interest or portion of a fee, charge or interest that the Secretary of State may collect as part of the secretary's business registry functions.

(8) The Secretary of State by rule shall establish and collect reasonable fees for the following services relating to the secretary's business registry functions:

(a) Computer generated lists on electronic data processing media.

(b) Terminal access to the files of the office.

(c) Microfilm records of the files of the office.

(d) Microfilm processing and development services.

(e) Copies of the programs and files on paper or electronic data processing media.

SECTION 155. The amendments to ORS 56.140 by section 154 of this 2025 Act become operative on January 1, 2028.

SECTION 156. ORS 60.001 is amended to read:

60.001. As used in this chapter:

(1) "Anniversary" means the day each year that is exactly one or more years after:

(a) The date on which the Secretary of State files the articles of incorporation for a domestic corporation.

(b) The date on which the Secretary of State files an application for authority to transact business for a foreign corporation.

(2) "Articles of incorporation" means the articles described in ORS 60.047, amended and restated articles of incorporation, articles of conversion or articles of merger.

(3) "Authorized shares" means the shares of all classes that a domestic or foreign corporation is authorized to issue.

(4) "Conspicuous" means written, printed, typed, displayed or otherwise presented so that a reasonable person against whom a writing is to operate should have noticed the writing as a consequence of a use of a method to draw attention to the writing, such as italics, boldface, contrasting color, capitalization or underlining.

(5) "Corporation" or "domestic corporation" means a corporation for profit that is incorporated under or subject to the provisions of this chapter

and that is not a foreign corporation.

(6) “Delivery” means any method of delivery used in conventional commercial practice, including by hand, mail, commercial delivery and, in accordance with ORS 60.034, electronic transmission.

(7) “Distribution” means a direct or indirect transfer of money or other property, except of a corporation’s own shares, or a corporation’s incurrence of indebtedness to or for the benefit of the corporation’s shareholders in respect of any of the corporation’s shares, in the form of a declaration or payment of a dividend, a purchase, redemption or other acquisition of shares, a distribution of indebtedness, or otherwise.

(8) “Document” means:

(a) A medium that embodies information in tangible form, including any writing or written instrument; or

(b) An electronic medium that embodies information that a person may retain, retrieve and reproduce, in tangible form or otherwise, by means of an automated process that is used in conventional commercial practice, except as otherwise provided in ORS 60.034 (4)(c).

(9) “Domestic limited liability company” means an entity that is an unincorporated association that has one or more members and that is organized under ORS chapter 63 **or, if appropriate, under sections 1 to 125 of this 2025 Act.**

(10) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated under ORS chapter 65.

(11) “Domestic professional corporation” means a corporation that is organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(12) “Electronic notice revocation” means a notice in which a person states that the person will not accept delivery of certain communications by means of electronic transmission.

(13) “Electronic signature” has the meaning given that term in ORS 84.004.

(14) “Electronic transmission” means a form or process of communication that does not directly involve physically transferring paper or another tangible medium and that enables a recipient to retain, retrieve and reproduce information by means of an automated process that is used in conventional commercial practice, except as provided in ORS 60.034 (4)(c).

(15) “Employee” includes an officer but not a director, unless the director accepts duties that make the director also an employee.

(16) “Entity” means a corporation, foreign corporation, nonprofit corporation, profit or nonprofit unincorporated association, business trust, partnership, two or more persons that have a joint or common economic interest, any state, the United States, a federally recognized Native American or American Indian tribal government and any foreign government.

(17) “Foreign corporation” means a corporation for profit that is incorporated under laws other than the laws of the state.

(18) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of the state and that is organized under a statute under which an association may be formed that affords to each of the entity’s members limited liability with respect to liabilities of the entity.

(19) “Foreign nonprofit corporation” means a corporation not for profit that is organized under laws other than the laws of the state.

(20) “Foreign professional corporation” means a professional corporation that is organized under laws other than the laws of the state.

(21) “Governmental subdivision” includes an authority, county, district and municipality.

(22) “Individual” means a natural person or the estate of an incompetent individual or a deceased individual.

(23) “Office,” when used to refer to the administrative unit directed by the Secretary of State, means the office of the Secretary of State.

(24) “Person” means an individual or entity.

(25)(a) “Principal office” means the physical street address of an office,

in or out of this state, where the principal executive offices of a domestic or foreign corporation are located and designated in the annual report or in the application for authority to transact business in this state.

(b) “Principal office” does not include a commercial mail receiving agency, a mail forwarding business or a virtual office.

(26) “Proceeding” means a civil, criminal, administrative or investigatory action.

(27) “Record date” means the date established under this chapter on which a corporation determines the identity of the corporation’s shareholders and their shareholdings for purposes of this chapter.

(28) “Remote communication” means any method by which a person that is not physically present at the location at which a meeting occurs may nevertheless hear or otherwise communicate at substantially the same time with other persons at the meeting and have access to materials necessary to participate or vote in the meeting to the extent of the person’s authorization to participate or vote.

(29) “Share” means a unit into which the proprietary interest in a corporation is divided.

(30) “Shareholder” means a person in whose name a share is registered in the records of a corporation or the beneficial owner of a share to the extent of the rights granted by a nominee certificate on file with a corporation.

(31) “Shell entity” means an entity that has the characteristics described in ORS 60.661 (1)(a)(C)(i).

(32) “Sign” means to indicate a present intent to authenticate or adopt a document by:

(a) Affixing a symbol to the document;

(b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

(c) Attaching to, or logically associating with, an electronic transmission any electronic sound, symbol or process, including an electronic signature.

(33) “Signature” means any embodiment of a person’s intent to sign a

document.

(34) “Single voting group” means a voting group, the shares of which are entitled by the articles of incorporation or this chapter to vote generally on a matter.

(35) “State,” when referring to a part of the United States, means a state, commonwealth, territory or insular possession of the United States and the agencies and governmental subdivisions of the state, commonwealth, territory or insular possession.

(36) “Subscriber” means a person who subscribes for shares in a corporation, whether before or after incorporation.

(37) “United States” means the federal government or a district, authority, bureau, commission, department or any other agency of the United States.

(38) “Voting group” means all shares of one or more classes or series that under the articles of incorporation or this chapter are entitled to vote and be counted together collectively on a matter at a meeting of shareholders.

(39) “Written” means embodied as a document.

SECTION 157. ORS 60.001, as amended by section 156 of this 2025 Act, is amended to read:

60.001. As used in this chapter:

(1) “Anniversary” means the day each year that is exactly one or more years after:

(a) The date on which the Secretary of State files the articles of incorporation for a domestic corporation.

(b) The date on which the Secretary of State files an application for authority to transact business for a foreign corporation.

(2) “Articles of incorporation” means the articles described in ORS 60.047, amended and restated articles of incorporation, articles of conversion or articles of merger.

(3) “Authorized shares” means the shares of all classes that a domestic or foreign corporation is authorized to issue.

(4) “Conspicuous” means written, printed, typed, displayed or otherwise presented so that a reasonable person against whom a writing is to operate should have noticed the writing as a consequence of a use of a method to draw attention to the writing, such as italics, boldface, contrasting color, capitalization or underlining.

(5) “Corporation” or “domestic corporation” means a corporation for profit that is incorporated under or subject to the provisions of this chapter and that is not a foreign corporation.

(6) “Delivery” means any method of delivery used in conventional commercial practice, including by hand, mail, commercial delivery and, in accordance with ORS 60.034, electronic transmission.

(7) “Distribution” means a direct or indirect transfer of money or other property, except of a corporation’s own shares, or a corporation’s incurrence of indebtedness to or for the benefit of the corporation’s shareholders in respect of any of the corporation’s shares, in the form of a declaration or payment of a dividend, a purchase, redemption or other acquisition of shares, a distribution of indebtedness, or otherwise.

(8) “Document” means:

(a) A medium that embodies information in tangible form, including any writing or written instrument; or

(b) An electronic medium that embodies information that a person may retain, retrieve and reproduce, in tangible form or otherwise, by means of an automated process that is used in conventional commercial practice, except as otherwise provided in ORS 60.034 (4)(c).

(9) “Domestic limited liability company” means an entity that is an unincorporated association that has one or more members and that is organized under [*ORS chapter 63 or, if appropriate, under*] sections 1 to 125 of this 2025 Act.

(10) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated under ORS chapter 65.

(11) “Domestic professional corporation” means a corporation that is or-

ganized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(12) “Electronic notice revocation” means a notice in which a person states that the person will not accept delivery of certain communications by means of electronic transmission.

(13) “Electronic signature” has the meaning given that term in ORS 84.004.

(14) “Electronic transmission” means a form or process of communication that does not directly involve physically transferring paper or another tangible medium and that enables a recipient to retain, retrieve and reproduce information by means of an automated process that is used in conventional commercial practice, except as provided in ORS 60.034 (4)(c).

(15) “Employee” includes an officer but not a director, unless the director accepts duties that make the director also an employee.

(16) “Entity” means a corporation, foreign corporation, nonprofit corporation, profit or nonprofit unincorporated association, business trust, partnership, two or more persons that have a joint or common economic interest, any state, the United States, a federally recognized Native American or American Indian tribal government and any foreign government.

(17) “Foreign corporation” means a corporation for profit that is incorporated under laws other than the laws of the state.

(18) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of the state and that is organized under a statute under which an association may be formed that affords to each of the entity’s members limited liability with respect to liabilities of the entity.

(19) “Foreign nonprofit corporation” means a corporation not for profit that is organized under laws other than the laws of the state.

(20) “Foreign professional corporation” means a professional corporation that is organized under laws other than the laws of the state.

(21) “Governmental subdivision” includes an authority, county, district

and municipality.

(22) “Individual” means a natural person or the estate of an incompetent individual or a deceased individual.

(23) “Office,” when used to refer to the administrative unit directed by the Secretary of State, means the office of the Secretary of State.

(24) “Person” means an individual or entity.

(25)(a) “Principal office” means the physical street address of an office, in or out of this state, where the principal executive offices of a domestic or foreign corporation are located and designated in the annual report or in the application for authority to transact business in this state.

(b) “Principal office” does not include a commercial mail receiving agency, a mail forwarding business or a virtual office.

(26) “Proceeding” means a civil, criminal, administrative or investigatory action.

(27) “Record date” means the date established under this chapter on which a corporation determines the identity of the corporation’s shareholders and their shareholdings for purposes of this chapter.

(28) “Remote communication” means any method by which a person that is not physically present at the location at which a meeting occurs may nevertheless hear or otherwise communicate at substantially the same time with other persons at the meeting and have access to materials necessary to participate or vote in the meeting to the extent of the person’s authorization to participate or vote.

(29) “Share” means a unit into which the proprietary interest in a corporation is divided.

(30) “Shareholder” means a person in whose name a share is registered in the records of a corporation or the beneficial owner of a share to the extent of the rights granted by a nominee certificate on file with a corporation.

(31) “Shell entity” means an entity that has the characteristics described in ORS 60.661 (1)(a)(C)(i).

(32) “Sign” means to indicate a present intent to authenticate or adopt a

document by:

(a) Affixing a symbol to the document;

(b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

(c) Attaching to, or logically associating with, an electronic transmission any electronic sound, symbol or process, including an electronic signature.

(33) “Signature” means any embodiment of a person’s intent to sign a document.

(34) “Single voting group” means a voting group, the shares of which are entitled by the articles of incorporation or this chapter to vote generally on a matter.

(35) “State,” when referring to a part of the United States, means a state, commonwealth, territory or insular possession of the United States and the agencies and governmental subdivisions of the state, commonwealth, territory or insular possession.

(36) “Subscriber” means a person who subscribes for shares in a corporation, whether before or after incorporation.

(37) “United States” means the federal government or a district, authority, bureau, commission, department or any other agency of the United States.

(38) “Voting group” means all shares of one or more classes or series that under the articles of incorporation or this chapter are entitled to vote and be counted together collectively on a matter at a meeting of shareholders.

(39) “Written” means embodied as a document.

SECTION 158. The amendments to ORS 60.001 by section 157 of this 2025 Act become operative on January 1, 2028.

SECTION 159. ORS 60.470 is amended to read:

60.470. As used in ORS 60.470 to 60.501:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, prede-

cessor law or comparable law of another jurisdiction;

(B) A corporation organized under this chapter, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under ORS chapter 63 **or, if appropriate, under sections 1 to 125 of this 2025 Act** or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership governed by law of another jurisdiction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of another jurisdiction.

(2) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(3) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) General partner or limited partner of a limited partnership.

SECTION 160. ORS 60.470, as amended by section 159 of this 2025 Act,

1 is amended to read:

2 60.470. As used in ORS 60.470 to 60.501:

3 (1) “Business entity” means:

4 (a) Any of the following for-profit entities:

5 (A) A professional corporation organized under ORS chapter 58, prede-
6 cessor law or comparable law of another jurisdiction;

7 (B) A corporation organized under this chapter, predecessor law or com-
8 parable law of another jurisdiction;

9 (C) A limited liability company organized under [*ORS chapter 63 or, if*
10 *appropriate, under*] sections 1 to 125 of this 2025 Act or comparable law of
11 another jurisdiction;

12 (D) A partnership organized in Oregon after January 1, 1998, or that is
13 registered as a limited liability partnership, or that has elected to be gov-
14 erned by ORS chapter 67, and a partnership governed by law of another ju-
15 risdiction that expressly provides for conversions and mergers; and

16 (E) A limited partnership organized under ORS chapter 70, predecessor
17 law or comparable law of another jurisdiction; and

18 (b) A cooperative organized under ORS chapter 62, predecessor law or
19 comparable law of another jurisdiction.

20 (2) “Organizational document” means the following for an Oregon busi-
21 ness entity or, for a foreign business entity, a document equivalent to the
22 following:

23 (a) In the case of a corporation, professional corporation or cooperative,
24 articles of incorporation;

25 (b) In the case of a limited liability company, articles of organization;

26 (c) In the case of a partnership, a partnership agreement and, for a limited
27 liability partnership, its registration; and

28 (d) In the case of a limited partnership, a certificate of limited partner-
29 ship.

30 (3) “Owner” means a:

31 (a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) General partner or limited partner of a limited partnership.

SECTION 161. The amendments to ORS 60.470 by section 160 of this 2025 Act become operative on January 1, 2028.

SECTION 162. ORS 60.752 is amended to read:

60.752. (1) Except as otherwise provided in ORS 60.750 to 60.770, ORS 60.750 to 60.770 apply to:

(a) A corporation that states in the corporation's articles of incorporation or articles of conversion that the corporation is subject to ORS 60.750 to 60.770;

(b) A limited liability company that states in the limited liability company's articles of organization or articles of conversion that the limited liability company is subject to ORS 60.750 to 60.770; or

(c) A corporation or limited liability company that elects to become a benefit company under ORS 60.754.

(2)(a) Except as provided in paragraph (c) of this subsection, a benefit company that is a corporation incorporated under ORS chapter 60 is subject to ORS chapter 60 and to ORS 60.750 to 60.770.

(b) Except as provided in paragraph (c) of this subsection, a benefit company that is a limited liability company organized under ORS chapter 63 **or, if appropriate, under sections 1 to 125 of this 2025 Act** is subject to ORS chapter 63 **or, as appropriate, to sections 1 to 125 of this 2025 Act** and to ORS 60.750 to 60.770.

(c) To the extent that a provision of ORS 60.750 to 60.770 conflicts with a provision of ORS chapter 60 or 63 **or sections 1 to 125 of this 2025 Act**, a specific provision of ORS 60.750 to 60.770 controls over a general provision of ORS chapter 60 or 63 **or sections 1 to 125 of this 2025 Act**.

(3) ORS 60.750 to 60.770 do not apply to a corporation that is not a benefit company or to a limited liability company that is not a benefit company.

SECTION 163. ORS 60.752, as amended by section 162 of this 2025 Act, is amended to read:

60.752. (1) Except as otherwise provided in ORS 60.750 to 60.770, ORS 60.750 to 60.770 apply to:

(a) A corporation that states in the corporation's articles of incorporation or articles of conversion that the corporation is subject to ORS 60.750 to 60.770;

(b) A limited liability company that states in the limited liability company's articles of organization or articles of conversion that the limited liability company is subject to ORS 60.750 to 60.770; or

(c) A corporation or limited liability company that elects to become a benefit company under ORS 60.754.

(2)(a) Except as provided in paragraph (c) of this subsection, a benefit company that is a corporation incorporated under ORS chapter 60 is subject to ORS chapter 60 and to ORS 60.750 to 60.770.

(b) Except as provided in paragraph (c) of this subsection, a benefit company that is a limited liability company organized under [*ORS chapter 63 or, if appropriate, under*] sections 1 to 125 of this 2025 Act is subject to [*ORS chapter 63 or, as appropriate, to*] sections 1 to 125 of this 2025 Act and to ORS 60.750 to 60.770.

(c) To the extent that a provision of ORS 60.750 to 60.770 conflicts with a provision of ORS chapter 60 or [*63 or*] sections 1 to 125 of this 2025 Act, a specific provision of ORS 60.750 to 60.770 controls over a general provision of ORS chapter 60 [*or 63*] or sections 1 to 125 of this 2025 Act.

(3) ORS 60.750 to 60.770 do not apply to a corporation that is not a benefit company or to a limited liability company that is not a benefit company.

SECTION 164. The amendments to ORS 60.752 by section 163 of this 2025 Act become operative on January 1, 2028.

SECTION 165. ORS 60.754 is amended to read:

60.754. (1)(a) Notwithstanding ORS 60.074 (2), a corporation incorporated under ORS chapter 60 is a benefit company under ORS 60.750 to 60.770 if the

1 corporation's articles of incorporation state that the corporation is a benefit
2 company subject to ORS 60.750 to 60.770.

3 (b) Notwithstanding ORS 63.074 (3) **or, as appropriate, section 10 (3)**
4 **of this 2025 Act**, a limited liability company organized under ORS chapter
5 63 **or sections 1 to 125 of this 2025 Act** is a benefit company under ORS
6 60.750 to 60.770 if the limited liability company's articles of organization
7 state that the limited liability company is a benefit company subject to ORS
8 60.750 to 60.770.

9 (2)(a) A corporation that is incorporated under ORS chapter 60 may be-
10 come a benefit company by amending the corporation's articles of incorpo-
11 ration to state, in addition to the requirements set forth in ORS 60.047, that
12 the corporation is a benefit company subject to ORS 60.750 to 60.770. The
13 amendment to the articles of incorporation must be approved by a minimum
14 status vote.

15 (b) A limited liability company that is organized under ORS chapter 63
16 **or sections 1 to 125 of this 2025 Act** may become a benefit company by
17 amending the limited liability company's articles of organization to state, in
18 addition to the requirements set forth in ORS 63.047 **or, if appropriate, in**
19 **section 24 of this 2025 Act**, that the limited liability company is a benefit
20 company subject to ORS 60.750 to 60.770. The amendment to the articles of
21 organization must be approved by a minimum status vote.

22 (3) A benefit company may be formed by means of a conversion if articles
23 of conversion that state that the converted entity will be a benefit company
24 that is subject to ORS 60.750 to 60.770 are approved by a minimum status
25 vote.

26 (4) An entity that is not a benefit company may become a benefit company
27 by merging or exchanging equity interests with a benefit company if the
28 shareholders or holders of equity interests of the entity that is not the ben-
29 efit company approve, by a minimum status vote, a plan of merger or a plan
30 for exchanging equity interests with a benefit company under which the
31 surviving entity will be a benefit company.

(5) A benefit company may become an entity other than a benefit company only if an action to remove from the articles of incorporation, articles of organization or articles of conversion the provision that states that the entity is a benefit company subject to ORS 60.750 to 60.770 is approved by a minimum status vote.

(6)(a) A plan for a benefit company must be approved by a minimum status vote if the plan would:

(A) Merge the benefit company with an entity that is not a benefit company, if the surviving entity would not be a benefit company;

(B) Provide for exchanging equity interests with an entity that is not a benefit company, if the exchange would create an entity that is not a benefit company and that would hold substantially all of the benefit company's assets;

(C) Convert the benefit company to an entity that is not a benefit company; or

(D) Otherwise cause ORS 60.750 to 60.770 not to apply to the benefit company.

(b) A sale, lease, exchange or other disposition of all or substantially all of a benefit company's assets must be approved by a minimum status vote unless the benefit company conducts the sale, lease, exchange or other disposition in the ordinary course of the benefit company's business.

(7) A provision of a benefit company's articles of incorporation, articles of organization, articles of conversion or plan described in subsection (6) of this section may be inconsistent with or supersede a provision of ORS 60.750 to 60.770 only to the extent that the provision in the articles of incorporation, articles of organization, articles of conversion or plan imposes a more stringent requirement on the benefit company, in keeping with the purposes set forth in ORS 60.750 to 60.770, than a provision of ORS 60.750 to 60.770 imposes.

SECTION 166. ORS 60.754, as amended by section 165 of this 2025 Act, is amended to read:

1 60.754. (1)(a) Notwithstanding ORS 60.074 (2), a corporation incorporated
2 under ORS chapter 60 is a benefit company under ORS 60.750 to 60.770 if the
3 corporation's articles of incorporation state that the corporation is a benefit
4 company subject to ORS 60.750 to 60.770.

5 (b) Notwithstanding [*ORS 63.074 (3) or, as appropriate,*] section 10 (3) of
6 this 2025 Act, a limited liability company organized under [*ORS chapter 63*
7 *or*] sections 1 to 125 of this 2025 Act is a benefit company under ORS 60.750
8 to 60.770 if the limited liability company's articles of organization state that
9 the limited liability company is a benefit company subject to ORS 60.750 to
10 60.770.

11 (2)(a) A corporation that is incorporated under ORS chapter 60 may be-
12 come a benefit company by amending the corporation's articles of incorpo-
13 ration to state, in addition to the requirements set forth in ORS 60.047, that
14 the corporation is a benefit company subject to ORS 60.750 to 60.770. The
15 amendment to the articles of incorporation must be approved by a minimum
16 status vote.

17 (b) A limited liability company that is organized under [*ORS chapter 63*
18 *or*] sections 1 to 125 of this 2025 Act may become a benefit company by
19 amending the limited liability company's articles of organization to state, in
20 addition to the requirements set forth in [*ORS 63.047 or, if appropriate, in*]
21 section 24 of this 2025 Act, that the limited liability company is a benefit
22 company subject to ORS 60.750 to 60.770. The amendment to the articles of
23 organization must be approved by a minimum status vote.

24 (3) A benefit company may be formed by means of a conversion if articles
25 of conversion that state that the converted entity will be a benefit company
26 that is subject to ORS 60.750 to 60.770 are approved by a minimum status
27 vote.

28 (4) An entity that is not a benefit company may become a benefit company
29 by merging or exchanging equity interests with a benefit company if the
30 shareholders or holders of equity interests of the entity that is not the ben-
31 efit company approve, by a minimum status vote, a plan of merger or a plan

for exchanging equity interests with a benefit company under which the surviving entity will be a benefit company.

(5) A benefit company may become an entity other than a benefit company only if an action to remove from the articles of incorporation, articles of organization or articles of conversion the provision that states that the entity is a benefit company subject to ORS 60.750 to 60.770 is approved by a minimum status vote.

(6)(a) A plan for a benefit company must be approved by a minimum status vote if the plan would:

(A) Merge the benefit company with an entity that is not a benefit company, if the surviving entity would not be a benefit company;

(B) Provide for exchanging equity interests with an entity that is not a benefit company, if the exchange would create an entity that is not a benefit company and that would hold substantially all of the benefit company's assets;

(C) Convert the benefit company to an entity that is not a benefit company; or

(D) Otherwise cause ORS 60.750 to 60.770 not to apply to the benefit company.

(b) A sale, lease, exchange or other disposition of all or substantially all of a benefit company's assets must be approved by a minimum status vote unless the benefit company conducts the sale, lease, exchange or other disposition in the ordinary course of the benefit company's business.

(7) A provision of a benefit company's articles of incorporation, articles of organization, articles of conversion or plan described in subsection (6) of this section may be inconsistent with or supersede a provision of ORS 60.750 to 60.770 only to the extent that the provision in the articles of incorporation, articles of organization, articles of conversion or plan imposes a more stringent requirement on the benefit company, in keeping with the purposes set forth in ORS 60.750 to 60.770, than a provision of ORS 60.750 to 60.770 imposes.

SECTION 167. The amendments to ORS 60.754 by section 166 of this 2025 Act become operative on January 1, 2028.

SECTION 168. ORS 60.756 is amended to read:

60.756. (1) Except as provided in subsections (2) and (3) of this section, an approval of an action described in ORS 60.754 (2) to (6) is effective only if, in addition to any other applicable requirements, a majority of the interests that are entitled to vote on the action are voted to approve the action.

(2) If an entity's governing documents or the provisions of ORS chapter 60 or 63 **or, if appropriate, sections 1 to 125 of this 2025 Act**, as applicable, require more than a majority vote or require each class or series to vote separately, approval of the action is effective only if the requirement for the greater vote or for separate class or series voting is met.

(3)(a) If, as of January 1, 2014, an entity has shares that are listed on a national securities exchange or are regularly traded in a market that a member of a national or affiliated securities association maintains, except as provided in paragraph (b) of this subsection, each class or series of the entity's shares must separately meet the requirement to approve the action by two-thirds of the shares that are entitled to vote.

(b) If the entity has gross revenue of \$200 million or less, each class or series of the entity's shares must separately meet the requirement to approve the action by a majority of the shares that are entitled to vote.

SECTION 169. ORS 60.756, as amended by section 168 of this 2025 Act, is amended to read:

60.756. (1) Except as provided in subsections (2) and (3) of this section, an approval of an action described in ORS 60.754 (2) to (6) is effective only if, in addition to any other applicable requirements, a majority of the interests that are entitled to vote on the action are voted to approve the action.

(2) If an entity's governing documents or the provisions of ORS chapter 60 or *[63 or, if appropriate,]* sections 1 to 125 of this 2025 Act, as applicable, require more than a majority vote or require each class or series to vote separately, approval of the action is effective only if the requirement for the

greater vote or for separate class or series voting is met.

(3)(a) If, as of January 1, 2014, an entity has shares that are listed on a national securities exchange or are regularly traded in a market that a member of a national or affiliated securities association maintains, except as provided in paragraph (b) of this subsection, each class or series of the entity's shares must separately meet the requirement to approve the action by two-thirds of the shares that are entitled to vote.

(b) If the entity has gross revenue of \$200 million or less, each class or series of the entity's shares must separately meet the requirement to approve the action by a majority of the shares that are entitled to vote.

SECTION 170. The amendments to ORS 60.756 by section 169 of this 2025 Act become operative on January 1, 2028.

SECTION 171. ORS 60.758 is amended to read:

60.758. (1) In addition to any purpose set forth in or adopted in accordance with ORS 60.047 (2)(c)(A), 60.074, 63.047 or 63.074 **or section 10 or 24 of this 2025 Act**, a benefit company has the purpose of providing a general public benefit.

(2)(a) The articles of incorporation or articles of organization for a benefit company may identify a specific public benefit for the benefit company in addition to the purposes described in subsection (1) of this section. A benefit company's identification of a specific public benefit does not limit the benefit company's obligation to fulfill the purposes described in subsection (1) of this section.

(b) A benefit company may amend the articles of incorporation or articles of organization to add, amend or remove a specific public benefit in the manner otherwise provided for amending the benefit company's purpose in the articles of incorporation or articles of organization.

(3) Notwithstanding the requirement in ORS 58.076 that a professional corporation have rendering professional service as the professional corporation's sole purpose, a professional corporation that is a benefit company shall have the purposes set forth in ORS 58.076 and the purpose of

1 providing a general public benefit. The professional corporation may identify
2 a specific public benefit in addition to the purposes described in this sub-
3 section.

4 **SECTION 172.** ORS 60.758, as amended by section 171 of this 2025 Act,
5 is amended to read:

6 60.758. (1) In addition to any purpose set forth in or adopted in accordance
7 with ORS 60.047 (2)(c)(A)[,] **or** 60.074[, *63.047 or 63.074*] or section 10 or 24
8 of this 2025 Act, a benefit company has the purpose of providing a general
9 public benefit.

10 (2)(a) The articles of incorporation or articles of organization for a ben-
11 efit company may identify a specific public benefit for the benefit company
12 in addition to the purposes described in subsection (1) of this section. A
13 benefit company's identification of a specific public benefit does not limit the
14 benefit company's obligation to fulfill the purposes described in subsection
15 (1) of this section.

16 (b) A benefit company may amend the articles of incorporation or articles
17 of organization to add, amend or remove a specific public benefit in the
18 manner otherwise provided for amending the benefit company's purpose in
19 the articles of incorporation or articles of organization.

20 (3) Notwithstanding the requirement in ORS 58.076 that a professional
21 corporation have rendering professional service as the professional
22 corporation's sole purpose, a professional corporation that is a benefit com-
23 pany shall have the purposes set forth in ORS 58.076 and the purpose of
24 providing a general public benefit. The professional corporation may identify
25 a specific public benefit in addition to the purposes described in this sub-
26 section.

27 **SECTION 173.** **The amendments to ORS 60.758 by section 172 of this**
28 **2025 Act become operative on January 1, 2028.**

29 **SECTION 174.** ORS 60.760 is amended to read:

30 60.760. (1) A governor of a benefit company shall act in the best interests
31 of the benefit company and shall discharge the governor's duties as provided

1 for a director of a corporation in ORS 60.357, or as provided for a member
2 or manager of a limited liability company under ORS 63.155 **or section 49**
3 **of this 2025 Act**, as appropriate for the benefit company's form of organiza-
4 tion. In determining the best interests of the benefit company, the governor
5 shall consider how an action of the governor or of the benefit company, or
6 a decision not to act, will affect:

7 (a) The shareholders or members of the benefit company;

8 (b) The employees and work force of the benefit company and the em-
9 ployees and work force of the benefit company's subsidiaries and suppliers;

10 (c) The benefit company's subsidiaries and suppliers;

11 (d) The interests the benefit company's customers have in receiving a
12 portion of the general public benefit or specific public benefit that the ben-
13 efit company provides;

14 (e) The communities that the benefit company's activities affect including,
15 but not limited to, the communities in which the benefit company is located,
16 operates or has offices or other facilities and in which the benefit company's
17 subsidiaries and suppliers are located, operate or have offices or other fa-
18 cilities;

19 (f) The local and global environment;

20 (g) The short-term and long-term interests of the benefit company, in-
21 cluding an interest in benefits that might accrue from the benefit company's
22 long-term plans and the possibility that the interests of the benefit company
23 are best served by keeping the benefit company independent; and

24 (h) The benefit company's ability to fulfill the benefit company's general
25 public benefit purpose and any specific public benefit identified in the benefit
26 company's articles of incorporation or articles of organization.

27 (2) A governor of a benefit company may consider how an action of the
28 governor or of the benefit company, or decision not to act, will affect other
29 interests the governor deems pertinent.

30 (3) A governor of a benefit company need not give a particular interest
31 identified in subsection (1) or (2) of this section priority over another inter-

est identified in subsection (1) or (2) of this section unless the benefit company's articles of incorporation or articles of organization identify an interest to which the governor must give priority.

(4) A governor's consideration under this section of the effects of an action, or a decision not to act, is in accordance with ORS 60.357 or 63.155 **or section 49 of this 2025 Act** as ORS 60.357 or 63.155 **or, as appropriate, section 49 of this 2025 Act** applies to the governor.

(5)(a) A governor of a benefit company is not personally liable for money damages as a consequence of taking an action or deciding not to act if the governor discharged the governor's duties in accordance with this section and with ORS 60.357 or 63.155 **or, as appropriate, section 49 of this 2025 Act**, as appropriate for the benefit company's form of organization.

(b) A governor of a benefit company is not personally liable for money damages for the benefit company's failure to provide a general public benefit or a specific public benefit.

(c) A governor of a benefit company does not have a duty to a person as a consequence of the person's status as a beneficiary of the general public benefit or a specific public benefit that the benefit company provides.

SECTION 175. ORS 60.760, as amended by section 174 of this 2025 Act, is amended to read:

60.760. (1) A governor of a benefit company shall act in the best interests of the benefit company and shall discharge the governor's duties as provided for a director of a corporation in ORS 60.357, or as provided for a member or manager of a limited liability company under [*ORS 63.155 or*] section 49 of this 2025 Act, as appropriate for the benefit company's form of organization. In determining the best interests of the benefit company, the governor shall consider how an action of the governor or of the benefit company, or a decision not to act, will affect:

(a) The shareholders or members of the benefit company;

(b) The employees and work force of the benefit company and the employees and work force of the benefit company's subsidiaries and suppliers;

(c) The benefit company's subsidiaries and suppliers;

(d) The interests the benefit company's customers have in receiving a portion of the general public benefit or specific public benefit that the benefit company provides;

(e) The communities that the benefit company's activities affect including, but not limited to, the communities in which the benefit company is located, operates or has offices or other facilities and in which the benefit company's subsidiaries and suppliers are located, operate or have offices or other facilities;

(f) The local and global environment;

(g) The short-term and long-term interests of the benefit company, including an interest in benefits that might accrue from the benefit company's long-term plans and the possibility that the interests of the benefit company are best served by keeping the benefit company independent; and

(h) The benefit company's ability to fulfill the benefit company's general public benefit purpose and any specific public benefit identified in the benefit company's articles of incorporation or articles of organization.

(2) A governor of a benefit company may consider how an action of the governor or of the benefit company, or decision not to act, will affect other interests the governor deems pertinent.

(3) A governor of a benefit company need not give a particular interest identified in subsection (1) or (2) of this section priority over another interest identified in subsection (1) or (2) of this section unless the benefit company's articles of incorporation or articles of organization identify an interest to which the governor must give priority.

(4) A governor's consideration under this section of the effects of an action, or a decision not to act, is in accordance with ORS 60.357 or [63.155 or] section 49 of this 2025 Act as ORS 60.357 or [63.155 or, as appropriate,] section 49 of this 2025 Act applies to the governor.

(5)(a) A governor of a benefit company is not personally liable for money damages as a consequence of taking an action or deciding not to act if the

governor discharged the governor's duties in accordance with this section and with ORS 60.357 or *[63.155 or, as appropriate,]* section 49 of this 2025 Act, as appropriate for the benefit company's form of organization.

(b) A governor of a benefit company is not personally liable for money damages for the benefit company's failure to provide a general public benefit or a specific public benefit.

(c) A governor of a benefit company does not have a duty to a person as a consequence of the person's status as a beneficiary of the general public benefit or a specific public benefit that the benefit company provides.

SECTION 176. The amendments to ORS 60.760 by section 175 of this 2025 Act become operative on January 1, 2028.

SECTION 177. ORS 60.764 is amended to read:

60.764. (1) A member that has management duties with respect to a benefit company, or an officer or a manager of a benefit company, shall act in the best interests of the benefit company and shall discharge the member's, officer's or manager's duties as provided in ORS 60.374 and 60.377 or in ORS **63.155 or, if appropriate, as provided in section 49 of this 2025 Act**, as appropriate for the benefit company's form of organization. In addition, the member, officer or manager shall consider the effects of an action of the member, officer or manager or of the benefit company, or of a decision not to act:

(a) To the extent the member, officer or manager has the discretion to take the action or to decide not to act;

(b) If, in the member's, officer's or manager's reasonable judgment, the action or decision not to act may have a material effect on the general public benefit or a specific public benefit the benefit company provides; and

(c) In accordance with the provisions of ORS 60.760 (1) to (3) for a governor's consideration of the effects of the action or the decision not to act.

(2) A member's, officer's or manager's consideration under this section of the effects of an action, or a decision not to act, is in accordance with ORS

60.374 and 60.377 or with ORS 63.155 **or section 49 of this 2025 Act**, as appropriate for the benefit company's form of organization, as those provisions apply to a member, officer or manager of a benefit company.

(3)(a) A member, officer or manager of a benefit company is not personally liable for money damages as a consequence of taking an action or deciding not to act if the member, officer or manager discharged the member's, officer's or manager's duties in accordance with this section and with ORS 60.374 and 60.377 or with ORS 63.155 **or section 49 of this 2025 Act**, as appropriate for the benefit company's form of organization.

(b) A member, officer or manager of a benefit company is not personally liable for money damages for the benefit company's failure to provide a general public benefit or a specific public benefit.

(c) A member, officer or manager of a benefit company does not have a duty to a person as a consequence of the person's status as a beneficiary of the general public benefit or a specific public benefit that the benefit company provides.

SECTION 178. ORS 60.764, as amended by section 177 of this 2025 Act, is amended to read:

60.764. (1) A member that has management duties with respect to a benefit company, or an officer or a manager of a benefit company, shall act in the best interests of the benefit company and shall discharge the member's, officer's or manager's duties as provided in ORS 60.374 and 60.377 or in [*ORS 63.155 or, if appropriate, as provided in*] section 49 of this 2025 Act, as appropriate for the benefit company's form of organization. In addition, the member, officer or manager shall consider the effects of an action of the member, officer or manager or of the benefit company, or of a decision not to act:

(a) To the extent the member, officer or manager has the discretion to take the action or to decide not to act;

(b) If, in the member's, officer's or manager's reasonable judgment, the action or decision not to act may have a material effect on the general public

benefit or a specific public benefit the benefit company provides; and

(c) In accordance with the provisions of ORS 60.760 (1) to (3) for a governor's consideration of the effects of the action or the decision not to act.

(2) A member's, officer's or manager's consideration under this section of the effects of an action, or a decision not to act, is in accordance with ORS 60.374 and 60.377 [*or with ORS 63.155*] or section 49 of this 2025 Act, as appropriate for the benefit company's form of organization, as those provisions apply to a member, officer or manager of a benefit company.

(3)(a) A member, officer or manager of a benefit company is not personally liable for money damages as a consequence of taking an action or deciding not to act if the member, officer or manager discharged the member's, officer's or manager's duties in accordance with this section and with ORS 60.374 and 60.377 or with [*ORS 63.155 or*] section 49 of this 2025 Act, as appropriate for the benefit company's form of organization.

(b) A member, officer or manager of a benefit company is not personally liable for money damages for the benefit company's failure to provide a general public benefit or a specific public benefit.

(c) A member, officer or manager of a benefit company does not have a duty to a person as a consequence of the person's status as a beneficiary of the general public benefit or a specific public benefit that the benefit company provides.

SECTION 179. The amendments to ORS 60.764 by section 178 of this 2025 Act become operative on January 1, 2028.

SECTION 180. ORS 62.015 is amended to read:

62.015. As used in this chapter, unless the context requires otherwise:

(1) "Anniversary" means the day each year exactly one or more years after:

(a) The date on which the Secretary of State files the articles of incorporation for a cooperative.

(b) The date on which the Secretary of State files an application for au-

thority to transact business for a foreign cooperative.

(2) “Articles” means articles of incorporation, articles of conversion or articles of merger.

(3) “Board” means board of directors.

(4) “Cooperative” means a cooperative corporation that is subject to the provisions of this chapter.

(5) “Corporation” means a corporation that is not a cooperative.

(6) “Delivery” means a method of delivery that is used in conventional commercial practice and includes hand delivery, mail delivery, commercial delivery and electronic transmission.

(7) “Domestic limited liability company” means an entity that is an unincorporated association that has one or more members and that is organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act**.

(8) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated under ORS chapter 65.

(9) “Domestic professional corporation” means a corporation that is organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(10) “Electronic signature” has the meaning given that term in ORS 84.004.

(11) “Electronic transmission” means a method of communicating information that:

(a) Does not directly involve a transfer of a physical object that embodies the communication; and

(b) Enables the recipient to store, retrieve and reproduce the information.

(12) “Foreign cooperative” means a cooperative corporation that is organized under laws other than the laws of this state.

(13) “Foreign corporation” means a corporation for profit that is incorporated under laws other than the laws of this state.

(14) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of this state

and that is organized under a statute under which an association may be formed that affords to each of the entity's members limited liability with respect to liabilities of the entity.

(15) "Foreign nonprofit corporation" means a corporation not for profit that is organized under laws other than the laws of this state.

(16) "Foreign professional corporation" means a professional corporation that is organized under laws other than the laws of this state.

(17) "Member" means a person that is qualified and accepted for membership in a cooperative.

(18) "Membership stock" means any class of stock, continuous ownership of which is required for membership in a cooperative.

(19) "Negotiate" means to confer with another in order to come to terms.

(20) "Person" means an individual, corporation, association, firm, partnership, joint stock company, cooperative or foreign cooperative.

(21) "Shareholder" means a holder of shares of capital stock of a cooperative other than membership stock.

(22) "Signature" means a manual, facsimile, conformed or electronic signature.

SECTION 181. ORS 62.015, as amended by section 180 of this 2025 Act, is amended to read:

62.015. As used in this chapter, unless the context requires otherwise:

(1) "Anniversary" means the day each year exactly one or more years after:

(a) The date on which the Secretary of State files the articles of incorporation for a cooperative.

(b) The date on which the Secretary of State files an application for authority to transact business for a foreign cooperative.

(2) "Articles" means articles of incorporation, articles of conversion or articles of merger.

(3) "Board" means board of directors.

(4) "Cooperative" means a cooperative corporation that is subject to the

provisions of this chapter.

(5) “Corporation” means a corporation that is not a cooperative.

(6) “Delivery” means a method of delivery that is used in conventional commercial practice and includes hand delivery, mail delivery, commercial delivery and electronic transmission.

(7) “Domestic limited liability company” means an entity that is an unincorporated association that has one or more members and that is organized under [ORS chapter 63 or] sections 1 to 125 of this 2025 Act.

(8) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated under ORS chapter 65.

(9) “Domestic professional corporation” means a corporation that is organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(10) “Electronic signature” has the meaning given that term in ORS 84.004.

(11) “Electronic transmission” means a method of communicating information that:

(a) Does not directly involve a transfer of a physical object that embodies the communication; and

(b) Enables the recipient to store, retrieve and reproduce the information.

(12) “Foreign cooperative” means a cooperative corporation that is organized under laws other than the laws of this state.

(13) “Foreign corporation” means a corporation for profit that is incorporated under laws other than the laws of this state.

(14) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of this state and that is organized under a statute under which an association may be formed that affords to each of the entity’s members limited liability with respect to liabilities of the entity.

(15) “Foreign nonprofit corporation” means a corporation not for profit that is organized under laws other than the laws of this state.

(16) “Foreign professional corporation” means a professional corporation that is organized under laws other than the laws of this state.

(17) “Member” means a person that is qualified and accepted for membership in a cooperative.

(18) “Membership stock” means any class of stock, continuous ownership of which is required for membership in a cooperative.

(19) “Negotiate” means to confer with another in order to come to terms.

(20) “Person” means an individual, corporation, association, firm, partnership, joint stock company, cooperative or foreign cooperative.

(21) “Shareholder” means a holder of shares of capital stock of a cooperative other than membership stock.

(22) “Signature” means a manual, facsimile, conformed or electronic signature.

SECTION 182. The amendments to ORS 62.015 by section 181 of this 2025 Act become operative on January 1, 2028.

SECTION 183. ORS 62.605 is amended to read:

62.605. As used in this section and ORS 62.607 to 62.623:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, predecessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act** or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership governed by law of another jurisdiction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under this chapter, predecessor law or comparable law of another jurisdiction.

(2) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(3) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) General partner or limited partner of a limited partnership.

SECTION 184. ORS 62.605, as amended by section 183 of this 2025 Act, is amended to read:

62.605. As used in this section and ORS 62.607 to 62.623:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, predecessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be gov-

1 erned by ORS chapter 67, and a partnership governed by law of another ju-
2 risdiction that expressly provides for conversions and mergers; and

3 (E) A limited partnership organized under ORS chapter 70, predecessor
4 law or comparable law of another jurisdiction; and

5 (b) A cooperative organized under this chapter, predecessor law or com-
6 parable law of another jurisdiction.

7 (2) “Organizational document” means the following for an Oregon busi-
8 ness entity or, for a foreign business entity, a document equivalent to the
9 following:

10 (a) In the case of a corporation, professional corporation or cooperative,
11 articles of incorporation;

12 (b) In the case of a limited liability company, articles of organization;

13 (c) In the case of a partnership, a partnership agreement and, for a limited
14 liability partnership, its registration; and

15 (d) In the case of a limited partnership, a certificate of limited partner-
16 ship.

17 (3) “Owner” means a:

18 (a) Shareholder of a corporation or of a professional corporation;

19 (b) Member or shareholder of a cooperative;

20 (c) Member of a limited liability company;

21 (d) Partner of a partnership; and

22 (e) General partner or limited partner of a limited partnership.

23 **SECTION 185. The amendments to ORS 62.605 by section 184 of this**
24 **2025 Act become operative on January 1, 2028.**

25 **SECTION 186.** ORS 65.001 is amended to read:

26 65.001. As used in this chapter:

27 (1)(a) “Anniversary” means, except as provided in paragraph (b) of this
28 subsection, the day each year that is exactly one or more years after the date
29 on which the Secretary of State files:

30 (A) The articles of incorporation for a domestic corporation; or

31 (B) An application for authority to transact business for a foreign corpo-

ration.

(b) “Anniversary” means February 28 if an event occurs that would otherwise cause an anniversary to fall on February 29.

(2) “Appointed director” means a director who is appointed by a person other than the board of directors.

(3) “Approved by the members” or “approval by the members” means approved or ratified by members entitled to vote on an issue through either:

(a) The affirmative vote of a majority of the votes of the members represented and voting at a duly held meeting at which a quorum is present or the affirmative vote of a greater proportion including the votes of any required proportion of the members of any class as the articles of incorporation, bylaws or this chapter may provide for specified types of member action; or

(b) A written ballot or written consent in conformity with this chapter.

(4) “Articles of incorporation” means the articles of incorporation described in ORS 65.047 and corrected, amended and restated articles of incorporation.

(5) “Articles of merger” means the articles of merger described in ORS 65.491 and corrected, amended and restated articles of merger.

(6) “Board of directors” means the individual or individuals who are vested with overall management of the affairs of a domestic corporation or foreign corporation, irrespective of the name that designates the individual or individuals.

(7) “Bylaws” means a set of provisions for managing and regulating a corporation’s affairs that the corporation must adopt under ORS 65.061.

(8) “Class” means a group of memberships that have the same rights, including rights that are determined by a formula that is applied uniformly, with respect to voting, dissolution, redemption and transfer.

(9) “Contact information” means a street address, a mailing address or an electronic address at which a member or director elects to receive notices and other messages from the corporation.

1 (10) “Corporation” means a domestic corporation or a foreign corporation.

2 (11) “Delegate” means a person who is elected or appointed to vote in a
3 representative assembly for electing a director or directors or on other mat-
4 ters.

5 (12) “Deliver” means to transfer by any method of delivery used in con-
6 ventional commercial practice, including delivery by hand, mail, commercial
7 delivery and electronic transmission.

8 (13) “Designated director” means a director that the articles of incorpo-
9 ration or the bylaws designate as a director in a manner that identifies a
10 specific individual or a group of individuals.

11 (14) “Director” means an individual who acts as a member of the board
12 of directors, who has a right to vote on questions concerning the manage-
13 ment and regulation of a corporation’s affairs and who is:

14 (a) An appointed director;

15 (b) A designated director; or

16 (c) A director elected by the incorporators, directors or members.

17 (15) “Distribution” means a payment to a person from the income or as-
18 sets of a corporation, other than a payment of reasonable value to a person
19 for property received or services performed or a payment that furthers the
20 corporation’s purposes.

21 (16) “Document” means:

22 (a) A medium that embodies information in tangible form, including any
23 writing or written instrument; or

24 (b) An electronic medium that embodies information that a person may
25 retain, retrieve and reproduce, in tangible form or otherwise.

26 (17) “Domestic business corporation” means a for profit corporation that
27 is incorporated under ORS chapter 60.

28 (18) “Domestic corporation” means a nonprofit corporation that is not a
29 foreign corporation and that is incorporated under or subject to the pro-
30 visions of this chapter.

31 (19) “Domestic limited liability company” means an unincorporated asso-

1 ciation that has one or more members and that is organized under ORS
2 chapter 63 **or sections 1 to 125 of this 2025 Act.**

3 (20) “Domestic professional corporation” means a corporation that is or-
4 ganized under ORS chapter 58 for the purpose of rendering professional ser-
5 vices and for the purposes provided under ORS chapter 58.

6 (21) “Employee” means an individual that a corporation employs, includ-
7 ing an officer or director whom the corporation employs with compensation
8 for services beyond the services of board membership.

9 (22) “Entity” means a domestic corporation, foreign corporation, business
10 corporation and foreign business corporation, profit and nonprofit unincor-
11 porated association, corporation sole, business trust, partnership, two or
12 more persons that have a joint or common economic interest, any state, the
13 United States, a federally recognized Native American or American Indian
14 tribal government and any foreign government.

15 (23) “Foreign business corporation” means a for profit corporation that
16 is incorporated under laws other than the laws of the state.

17 (24) “Foreign corporation” means a corporation that is organized under
18 laws other than the laws of the state and that would be a nonprofit corpo-
19 ration if organized under the laws of the state.

20 (25) “Foreign limited liability company” means an unincorporated associ-
21 ation that is organized under laws other than the laws of the state and under
22 a statute that permits an entity to organize and that affords to each of the
23 entity’s members limited liability with respect to liabilities of the entity.

24 (26) “Foreign professional corporation” means a professional corporation
25 that is organized under laws other than the laws of the state.

26 (27) “Gift instrument” means a record, including a record of a solicitation,
27 under which a corporation holds property or under which property is granted
28 or transferred to the corporation.

29 (28) “Governmental subdivision” means a unit of government, including
30 an authority, county, district and municipality.

31 (29) “Individual” means a natural person, including the guardian of an

1 incompetent individual.

2 (30)(a) “Member” means a person that is entitled, under a domestic
3 corporation’s or foreign corporation’s articles of incorporation or bylaws, to
4 exercise any of the rights described in ORS 65.144 without regard to whether
5 the articles of incorporation or bylaws identify the person as a member or
6 which other title or identity the domestic corporation or foreign corporation
7 gives to the person.

8 (b) “Member” does not include:

9 (A) A person that does not have the rights described in ORS 65.144 or that
10 has only one or more of the following rights:

11 (i) Rights granted to a delegate;

12 (ii) A right to designate or appoint a director or directors;

13 (iii) Rights that a director has;

14 (iv) A right to vote on only one occasion to elect a director or directors;

15 or

16 (v) Rights that a person has as a consequence of holding evidence of
17 indebtedness the corporation has issued or will issue.

18 (B) A person for which membership rights have been eliminated as pro-
19 vided in ORS 65.164 or 65.167.

20 (31) “Membership” means the rights and obligations a member has under
21 this chapter.

22 (32) “Mutual benefit corporation” means a domestic corporation that is
23 organized to serve and operates primarily to serve the mutual interests of a
24 group of persons, but is not a public benefit corporation or religious corpo-
25 ration.

26 (33) “Nonprofit corporation” means a mutual benefit corporation, a public
27 benefit corporation or a religious corporation.

28 (34) “Notice” means a notice described in ORS 65.034.

29 (35) “Person” means an individual or an entity.

30 (36)(a) “Principal office” means the physical street address of the place,
31 in or out of this state, where the principal executive offices of a domestic

corporation or foreign corporation are located and that is designated as the principal office in the most recent annual report filed in accordance with ORS 65.787 or, if no annual report is on file, in the articles of incorporation or the application for authority to transact business in this state.

(b) “Principal office” does not include a commercial mail receiving agency, a mail forwarding business or a virtual office.

(37) “Proceeding” means a civil, criminal, administrative or investigatory action.

(38) “Public benefit corporation” means a domestic corporation that:

(a) Is formed as a public benefit corporation under ORS 65.044 to 65.067, is designated as a public benefit corporation by a statute, is recognized as tax exempt under section 501(c)(3) of the Internal Revenue Code or is otherwise organized for a public or charitable purpose;

(b) Is restricted so that on dissolution the corporation must distribute the corporation’s assets to an organization that is organized for a public or charitable purpose, a religious corporation, the United States, a state or a person that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code of 1986; and

(c) Is not a religious corporation.

(39) “Record date” means the date established under ORS 65.131 to 65.177 or 65.201 to 65.254 on which a corporation determines the identity of the corporation’s members and the members’ membership rights for the purposes of this chapter.

(40) “Religious corporation” means a domestic corporation that is formed as a religious corporation under ORS 65.044 to 65.067, is designated a religious corporation by a statute or is organized primarily or exclusively for religious purposes.

(41) “Remote communication” means any method by which a person that is not physically present at the location at which a meeting occurs may nevertheless hear or otherwise communicate at substantially the same time with other persons at the meeting and have access to materials necessary to

1 participate or vote in the meeting to the extent of the person's authorization
2 to participate or vote.

3 (42) "Secretary," when used in the context of a corporate official, means
4 the corporate officer to whom the board of directors has delegated responsi-
5 bility under ORS 65.371 for preparing the minutes of the board of directors'
6 meetings and membership meetings and for authenticating the records of the
7 corporation.

8 (43) "Shell entity" means an entity that has the characteristics described
9 in ORS 65.661.

10 (44) "Sign" means to indicate a present intent to authenticate or adopt a
11 document by:

12 (a) Affixing a symbol to the document;

13 (b) Inscribing or affixing a manual, facsimile or conformed signature on
14 the document; or

15 (c) Attaching to, or logically associating with, an electronic transmission
16 any electronic sound, symbol or process, including an electronic signature.

17 (45) "State," when referring to a part of the United States, means a state,
18 commonwealth, territory or insular possession of the United States and the
19 agencies and governmental subdivisions of the state, commonwealth, terri-
20 tory or insular possession.

21 (46) "Uncompensated officer" means an individual who serves in an office
22 without compensation other than payment solely for actual expenses the in-
23 dividual incurs in performing duties of the individual's office or payment for
24 the average expenses the individual incurs over the course of a year.

25 (47) "United States" means the federal government or a district, author-
26 ity, bureau, commission, department or any other agency of the United
27 States.

28 (48) "Vote" means an authorization by written ballot or written consent,
29 where permitted, or by another method that a corporation specifies as an
30 authorization.

31 (49) "Voting power" means the total number of votes entitled to be cast

1 on an issue at the time the determination of voting power is made, excluding
2 a vote that is contingent upon a condition or event occurring that has not
3 occurred at the time.

4 (50) “Written” means embodied as a document.

5 **SECTION 187.** ORS 65.001, as amended by section 186 of this 2025 Act,
6 is amended to read:

7 65.001. As used in this chapter:

8 (1)(a) “Anniversary” means, except as provided in paragraph (b) of this
9 subsection, the day each year that is exactly one or more years after the date
10 on which the Secretary of State files:

11 (A) The articles of incorporation for a domestic corporation; or

12 (B) An application for authority to transact business for a foreign corpo-
13 ration.

14 (b) “Anniversary” means February 28 if an event occurs that would oth-
15 erwise cause an anniversary to fall on February 29.

16 (2) “Appointed director” means a director who is appointed by a person
17 other than the board of directors.

18 (3) “Approved by the members” or “approval by the members” means ap-
19 proved or ratified by members entitled to vote on an issue through either:

20 (a) The affirmative vote of a majority of the votes of the members re-
21 presented and voting at a duly held meeting at which a quorum is present
22 or the affirmative vote of a greater proportion including the votes of any
23 required proportion of the members of any class as the articles of incorpo-
24 ration, bylaws or this chapter may provide for specified types of member
25 action; or

26 (b) A written ballot or written consent in conformity with this chapter.

27 (4) “Articles of incorporation” means the articles of incorporation de-
28 scribed in ORS 65.047 and corrected, amended and restated articles of incor-
29 poration.

30 (5) “Articles of merger” means the articles of merger described in ORS
31 65.491 and corrected, amended and restated articles of merger.

1 (6) “Board of directors” means the individual or individuals who are
2 vested with overall management of the affairs of a domestic corporation or
3 foreign corporation, irrespective of the name that designates the individual
4 or individuals.

5 (7) “Bylaws” means a set of provisions for managing and regulating a
6 corporation’s affairs that the corporation must adopt under ORS 65.061.

7 (8) “Class” means a group of memberships that have the same rights, in-
8 cluding rights that are determined by a formula that is applied uniformly,
9 with respect to voting, dissolution, redemption and transfer.

10 (9) “Contact information” means a street address, a mailing address or
11 an electronic address at which a member or director elects to receive notices
12 and other messages from the corporation.

13 (10) “Corporation” means a domestic corporation or a foreign corporation.

14 (11) “Delegate” means a person who is elected or appointed to vote in a
15 representative assembly for electing a director or directors or on other mat-
16 ters.

17 (12) “Deliver” means to transfer by any method of delivery used in con-
18 ventional commercial practice, including delivery by hand, mail, commercial
19 delivery and electronic transmission.

20 (13) “Designated director” means a director that the articles of incorpo-
21 ration or the bylaws designate as a director in a manner that identifies a
22 specific individual or a group of individuals.

23 (14) “Director” means an individual who acts as a member of the board
24 of directors, who has a right to vote on questions concerning the manage-
25 ment and regulation of a corporation’s affairs and who is:

26 (a) An appointed director;

27 (b) A designated director; or

28 (c) A director elected by the incorporators, directors or members.

29 (15) “Distribution” means a payment to a person from the income or as-
30 sets of a corporation, other than a payment of reasonable value to a person
31 for property received or services performed or a payment that furthers the

corporation's purposes.

(16) "Document" means:

(a) A medium that embodies information in tangible form, including any writing or written instrument; or

(b) An electronic medium that embodies information that a person may retain, retrieve and reproduce, in tangible form or otherwise.

(17) "Domestic business corporation" means a for profit corporation that is incorporated under ORS chapter 60.

(18) "Domestic corporation" means a nonprofit corporation that is not a foreign corporation and that is incorporated under or subject to the provisions of this chapter.

(19) "Domestic limited liability company" means an unincorporated association that has one or more members and that is organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act.

(20) "Domestic professional corporation" means a corporation that is organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(21) "Employee" means an individual that a corporation employs, including an officer or director whom the corporation employs with compensation for services beyond the services of board membership.

(22) "Entity" means a domestic corporation, foreign corporation, business corporation and foreign business corporation, profit and nonprofit unincorporated association, corporation sole, business trust, partnership, two or more persons that have a joint or common economic interest, any state, the United States, a federally recognized Native American or American Indian tribal government and any foreign government.

(23) "Foreign business corporation" means a for profit corporation that is incorporated under laws other than the laws of the state.

(24) "Foreign corporation" means a corporation that is organized under laws other than the laws of the state and that would be a nonprofit corporation if organized under the laws of the state.

1 (25) “Foreign limited liability company” means an unincorporated associ-
2 ation that is organized under laws other than the laws of the state and under
3 a statute that permits an entity to organize and that affords to each of the
4 entity’s members limited liability with respect to liabilities of the entity.

5 (26) “Foreign professional corporation” means a professional corporation
6 that is organized under laws other than the laws of the state.

7 (27) “Gift instrument” means a record, including a record of a solicitation,
8 under which a corporation holds property or under which property is granted
9 or transferred to the corporation.

10 (28) “Governmental subdivision” means a unit of government, including
11 an authority, county, district and municipality.

12 (29) “Individual” means a natural person, including the guardian of an
13 incompetent individual.

14 (30)(a) “Member” means a person that is entitled, under a domestic
15 corporation’s or foreign corporation’s articles of incorporation or bylaws, to
16 exercise any of the rights described in ORS 65.144 without regard to whether
17 the articles of incorporation or bylaws identify the person as a member or
18 which other title or identity the domestic corporation or foreign corporation
19 gives to the person.

20 (b) “Member” does not include:

21 (A) A person that does not have the rights described in ORS 65.144 or that
22 has only one or more of the following rights:

23 (i) Rights granted to a delegate;

24 (ii) A right to designate or appoint a director or directors;

25 (iii) Rights that a director has;

26 (iv) A right to vote on only one occasion to elect a director or directors;

27 or

28 (v) Rights that a person has as a consequence of holding evidence of
29 indebtedness the corporation has issued or will issue.

30 (B) A person for which membership rights have been eliminated as pro-
31 vided in ORS 65.164 or 65.167.

(31) “Membership” means the rights and obligations a member has under this chapter.

(32) “Mutual benefit corporation” means a domestic corporation that is organized to serve and operates primarily to serve the mutual interests of a group of persons, but is not a public benefit corporation or religious corporation.

(33) “Nonprofit corporation” means a mutual benefit corporation, a public benefit corporation or a religious corporation.

(34) “Notice” means a notice described in ORS 65.034.

(35) “Person” means an individual or an entity.

(36)(a) “Principal office” means the physical street address of the place, in or out of this state, where the principal executive offices of a domestic corporation or foreign corporation are located and that is designated as the principal office in the most recent annual report filed in accordance with ORS 65.787 or, if no annual report is on file, in the articles of incorporation or the application for authority to transact business in this state.

(b) “Principal office” does not include a commercial mail receiving agency, a mail forwarding business or a virtual office.

(37) “Proceeding” means a civil, criminal, administrative or investigatory action.

(38) “Public benefit corporation” means a domestic corporation that:

(a) Is formed as a public benefit corporation under ORS 65.044 to 65.067, is designated as a public benefit corporation by a statute, is recognized as tax exempt under section 501(c)(3) of the Internal Revenue Code or is otherwise organized for a public or charitable purpose;

(b) Is restricted so that on dissolution the corporation must distribute the corporation’s assets to an organization that is organized for a public or charitable purpose, a religious corporation, the United States, a state or a person that is recognized as exempt under section 501(c)(3) of the Internal Revenue Code of 1986; and

(c) Is not a religious corporation.

(39) “Record date” means the date established under ORS 65.131 to 65.177 or 65.201 to 65.254 on which a corporation determines the identity of the corporation’s members and the members’ membership rights for the purposes of this chapter.

(40) “Religious corporation” means a domestic corporation that is formed as a religious corporation under ORS 65.044 to 65.067, is designated a religious corporation by a statute or is organized primarily or exclusively for religious purposes.

(41) “Remote communication” means any method by which a person that is not physically present at the location at which a meeting occurs may nevertheless hear or otherwise communicate at substantially the same time with other persons at the meeting and have access to materials necessary to participate or vote in the meeting to the extent of the person’s authorization to participate or vote.

(42) “Secretary,” when used in the context of a corporate official, means the corporate officer to whom the board of directors has delegated responsibility under ORS 65.371 for preparing the minutes of the board of directors’ meetings and membership meetings and for authenticating the records of the corporation.

(43) “Shell entity” means an entity that has the characteristics described in ORS 65.661.

(44) “Sign” means to indicate a present intent to authenticate or adopt a document by:

(a) Affixing a symbol to the document;

(b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

(c) Attaching to, or logically associating with, an electronic transmission any electronic sound, symbol or process, including an electronic signature.

(45) “State,” when referring to a part of the United States, means a state, commonwealth, territory or insular possession of the United States and the agencies and governmental subdivisions of the state, commonwealth, terri-

tory or insular possession.

(46) “Uncompensated officer” means an individual who serves in an office without compensation other than payment solely for actual expenses the individual incurs in performing duties of the individual’s office or payment for the average expenses the individual incurs over the course of a year.

(47) “United States” means the federal government or a district, authority, bureau, commission, department or any other agency of the United States.

(48) “Vote” means an authorization by written ballot or written consent, where permitted, or by another method that a corporation specifies as an authorization.

(49) “Voting power” means the total number of votes entitled to be cast on an issue at the time the determination of voting power is made, excluding a vote that is contingent upon a condition or event occurring that has not occurred at the time.

(50) “Written” means embodied as a document.

SECTION 188. The amendments to ORS 65.001 by section 187 of this 2025 Act become operative on January 1, 2028.

SECTION 189. ORS 67.340 is amended to read:

67.340. As used in ORS 67.340 to 67.365:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, predecessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act** or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by this chapter, and a partnership governed by law of another juris-

diction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of another jurisdiction.

(2) “General partner” means a partner in a partnership and a general partner in a limited partnership.

(3) “Limited partner” means a limited partner in a limited partnership.

(4) “Limited partnership” means a limited partnership created under ORS chapter 70, predecessor law or comparable law of another jurisdiction.

(5) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(6) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) Partner of a limited partnership.

(7) “Partner” includes both a general partner and a limited partner.

SECTION 190. ORS 67.340, as amended by section 189 of this 2025 Act, is amended to read:

67.340. As used in ORS 67.340 to 67.365:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, predecessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by this chapter, and a partnership governed by law of another jurisdiction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of another jurisdiction.

(2) “General partner” means a partner in a partnership and a general partner in a limited partnership.

(3) “Limited partner” means a limited partner in a limited partnership.

(4) “Limited partnership” means a limited partnership created under ORS chapter 70, predecessor law or comparable law of another jurisdiction.

(5) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(6) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) Partner of a limited partnership.

(7) “Partner” includes both a general partner and a limited partner.

SECTION 191. The amendments to ORS 67.340 by section 190 of this 2025 Act become operative on January 1, 2028.

SECTION 192. ORS 70.005 is amended to read:

70.005. As used in this chapter:

(1) “Certificate of limited partnership” means the certificate referred to in ORS 70.075, and the certificate as amended, articles of conversion and articles of merger.

(2) “Contribution” means any cash, property, services rendered, or a promissory note or other binding obligation to contribute cash or property or to perform services, that a partner contributes to a limited partnership in the capacity as a partner.

(3) “Corporation” or “domestic corporation” means a corporation for profit incorporated under ORS chapter 60.

(4) “Domestic limited liability company” means an entity that is an unincorporated association having one or more members and that is organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act.**

(5) “Domestic nonprofit corporation” means a corporation not for profit incorporated under ORS chapter 65.

(6) “Domestic professional corporation” means a corporation organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(7) “Event of withdrawal of a general partner” means an event that causes a person to cease to be a general partner as provided in ORS 70.180.

(8) “Foreign corporation” means a corporation for profit incorporated under laws other than the laws of this state.

(9) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of this state and that is organized under a statute under which an association may be formed that affords to each of the entity’s members limited liability with respect to liabilities of the entity.

(10) “Foreign limited partnership” means a partnership formed under laws other than the laws of this state and having as partners one or more general partners and one or more limited partners.

(11) “Foreign nonprofit corporation” means a corporation not for profit organized under laws other than the laws of this state.

(12) “Foreign professional corporation” means a professional corporation organized under laws other than the laws of this state.

(13) “General partner” means a person who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement and named in the certificate of limited partnership as a general partner.

(14) “Limited partner” means a person who has been admitted to a limited partnership as a limited partner in accordance with the partnership agreement.

(15) “Limited partnership” and “domestic limited partnership” mean a partnership formed by two or more persons under the laws of this state and having one or more general partners and one or more limited partners.

(16) “Partner” means a limited or general partner.

(17) “Partnership agreement” means any valid agreement, written or oral, of the partners as to the affairs of a limited partnership and the conduct of the business of the limited partnership.

(18) “Partnership interest” means a partner’s share of the profits and losses of a limited partnership and the right to receive distributions of partnership assets.

(19) “Person” means an individual, partnership, limited partnership (domestic or foreign), association or corporation.

SECTION 193. ORS 70.005, as amended by section 192 of this 2025 Act,
is amended to read:

70.005. As used in this chapter:

(1) “Certificate of limited partnership” means the certificate referred to in ORS 70.075, and the certificate as amended, articles of conversion and articles of merger.

(2) “Contribution” means any cash, property, services rendered, or a promissory note or other binding obligation to contribute cash or property or to perform services, that a partner contributes to a limited partnership in the capacity as a partner.

(3) “Corporation” or “domestic corporation” means a corporation for profit incorporated under ORS chapter 60.

(4) “Domestic limited liability company” means an entity that is an unincorporated association having one or more members and that is organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act.

(5) “Domestic nonprofit corporation” means a corporation not for profit incorporated under ORS chapter 65.

(6) “Domestic professional corporation” means a corporation organized under ORS chapter 58 for the purpose of rendering professional services and for the purposes provided under ORS chapter 58.

(7) “Event of withdrawal of a general partner” means an event that causes a person to cease to be a general partner as provided in ORS 70.180.

(8) “Foreign corporation” means a corporation for profit incorporated under laws other than the laws of this state.

(9) “Foreign limited liability company” means an entity that is an unincorporated association organized under laws other than the laws of this state and that is organized under a statute under which an association may be formed that affords to each of the entity’s members limited liability with respect to liabilities of the entity.

(10) “Foreign limited partnership” means a partnership formed under laws other than the laws of this state and having as partners one or more general

partners and one or more limited partners.

(11) “Foreign nonprofit corporation” means a corporation not for profit organized under laws other than the laws of this state.

(12) “Foreign professional corporation” means a professional corporation organized under laws other than the laws of this state.

(13) “General partner” means a person who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement and named in the certificate of limited partnership as a general partner.

(14) “Limited partner” means a person who has been admitted to a limited partnership as a limited partner in accordance with the partnership agreement.

(15) “Limited partnership” and “domestic limited partnership” mean a partnership formed by two or more persons under the laws of this state and having one or more general partners and one or more limited partners.

(16) “Partner” means a limited or general partner.

(17) “Partnership agreement” means any valid agreement, written or oral, of the partners as to the affairs of a limited partnership and the conduct of the business of the limited partnership.

(18) “Partnership interest” means a partner’s share of the profits and losses of a limited partnership and the right to receive distributions of partnership assets.

(19) “Person” means an individual, partnership, limited partnership (domestic or foreign), association or corporation.

SECTION 194. The amendments to ORS 70.005 by section 193 of this 2025 Act become operative on January 1, 2028.

SECTION 195. ORS 70.500 is amended to read:

70.500. As used in ORS 70.500 to 70.540:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, prede-

cessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act** or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership governed by law of another jurisdiction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under this chapter, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of another jurisdiction.

(2) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(3) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) General partner or limited partner of a limited partnership.

SECTION 196. ORS 70.500, as amended by section 195 of this 2025 Act, is amended to read:

70.500. As used in ORS 70.500 to 70.540:

(1) “Business entity” means:

(a) Any of the following for-profit entities:

(A) A professional corporation organized under ORS chapter 58, predecessor law or comparable law of another jurisdiction;

(B) A corporation organized under ORS chapter 60, predecessor law or comparable law of another jurisdiction;

(C) A limited liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act or comparable law of another jurisdiction;

(D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership governed by law of another jurisdiction that expressly provides for conversions and mergers; and

(E) A limited partnership organized under this chapter, predecessor law or comparable law of another jurisdiction; and

(b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of another jurisdiction.

(2) “Organizational document” means the following for an Oregon business entity or, for a foreign business entity, a document equivalent to the following:

(a) In the case of a corporation, professional corporation or cooperative, articles of incorporation;

(b) In the case of a limited liability company, articles of organization;

(c) In the case of a partnership, a partnership agreement and, for a limited liability partnership, its registration; and

(d) In the case of a limited partnership, a certificate of limited partnership.

(3) “Owner” means a:

(a) Shareholder of a corporation or of a professional corporation;

(b) Member or shareholder of a cooperative;

(c) Member of a limited liability company;

(d) Partner of a partnership; and

(e) General partner or limited partner of a limited partnership.

SECTION 197. The amendments to ORS 70.500 by section 196 of this 2025 Act become operative on January 1, 2028.

SECTION 198. ORS 93.269 is amended to read:

93.269. (1) An instrument that conveys, or contracts to convey, a fee simple interest in real property may not cause, or purport to cause, a declaration or covenant to be filed or recorded against the title to the real property if the declaration or covenant requires, or purports to require, the payment of a fee, commission or other payment to the declarant or to another person specified in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon a transfer of a fee simple interest in the property.

(2) A declaration or covenant that requires, or purports to require, the payment of a fee, commission or other payment upon the transfer of a fee simple interest in real property to the declarant or other person specified in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon a transfer of a fee simple interest in the property or that otherwise violates subsection (1) of this section, is void.

(3) Subsections (1) and (2) of this section do not apply to the following:

(a) An instrument that conveys or contracts to convey a fee simple interest in real property that provides for a grantee to pay consideration to a grantor for the interest in real property being transferred, including but not limited to any subsequent additional consideration for the property the grantee must pay based upon any subsequent appreciation, development or sale of the property.

(b) A requirement in a mortgage loan agreement for paying mortgage principal, interest and fees upon sale of the property by the mortgagee.

(c) A limited liability company, limited liability partnership, corporation, joint venture or partnership agreement in which a member, shareholder, joint venturer or partner contributes real property to the limited liability com-

pany, limited liability partnership, corporation, joint venture or partnership.

(d) An agreement that provides for a series of related transfers of the fee simple interest in a real property, if the agreement identifies with specificity the price of the transferred interest, all consideration given, party names and other essential terms for each transfer of interest that is part of the series.

(e) An affordable housing covenant, servitude, easement, condition or restriction in a deed, declaration, land sale contract, loan agreement, promissory note, trust deed, mortgage, security agreement or other instrument, including but not limited to instruments created as provided under ORS 456.270 to 456.295 if:

(A) The proceeds of any fee, commission or other payment to a declarant or to another person specified in the instrument, or to the declarant's or other person's successors or assigns, are used exclusively to benefit the property, or to support activities that directly benefit the residents of the property, that is subject to the instrument; and

(B) The instrument is executed by:

(i) A public body as defined in ORS 174.109;

(ii) An agency of the United States;

(iii) A public benefit corporation, religious corporation or foreign corporation, all as defined in ORS 65.001, if the purposes of the corporation include providing affordable housing for low income households and moderate income households as those terms are defined in ORS 456.270;

(iv) A limited liability company, as defined in ORS 63.001 **or, if appropriate, in section 2 of this 2025 Act**, that has a membership composed of one or more corporations described in sub-subparagraph (iii) of this subparagraph;

(v) A consumer housing cooperative as defined in ORS 456.548;

(vi) A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or

(vii) A federally recognized Indian tribe.

(f) A requirement for the payment of a fee to:

(A) A homeowners association as defined in ORS 94.550;

(B) An association of unit owners as defined in ORS 100.005;

(C) A managing entity of a timeshare plan, as those terms are defined in ORS 94.803;

(D) Any other owners' association that is governed by recorded covenants, conditions and restrictions; or

(E) An agent for an association or managing entity described in subparagraphs (A) to (D) of this paragraph.

(g) An agreement between a real estate licensee and a grantor or grantee that provides for any commission payable to the real estate licensee for the transfer of the real property.

SECTION 199. ORS 93.269, as amended by section 198 of this 2025 Act, is amended to read:

93.269. (1) An instrument that conveys, or contracts to convey, a fee simple interest in real property may not cause, or purport to cause, a declaration or covenant to be filed or recorded against the title to the real property if the declaration or covenant requires, or purports to require, the payment of a fee, commission or other payment to the declarant or to another person specified in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon a transfer of a fee simple interest in the property.

(2) A declaration or covenant that requires, or purports to require, the payment of a fee, commission or other payment upon the transfer of a fee simple interest in real property to the declarant or other person specified in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon a transfer of a fee simple interest in the property or that otherwise violates subsection (1) of this section, is void.

(3) Subsections (1) and (2) of this section do not apply to the following:

(a) An instrument that conveys or contracts to convey a fee simple interest in real property that provides for a grantee to pay consideration to a grantor for the interest in real property being transferred, including but not

1 limited to any subsequent additional consideration for the property the
2 grantee must pay based upon any subsequent appreciation, development or
3 sale of the property.

4 (b) A requirement in a mortgage loan agreement for paying mortgage
5 principal, interest and fees upon sale of the property by the mortgagee.

6 (c) A limited liability company, limited liability partnership, corporation,
7 joint venture or partnership agreement in which a member, shareholder, joint
8 venturer or partner contributes real property to the limited liability com-
9 pany, limited liability partnership, corporation, joint venture or partnership.

10 (d) An agreement that provides for a series of related transfers of the fee
11 simple interest in a real property, if the agreement identifies with specificity
12 the price of the transferred interest, all consideration given, party names and
13 other essential terms for each transfer of interest that is part of the series.

14 (e) An affordable housing covenant, servitude, easement, condition or re-
15 striction in a deed, declaration, land sale contract, loan agreement,
16 promissory note, trust deed, mortgage, security agreement or other instru-
17 ment, including but not limited to instruments created as provided under
18 ORS 456.270 to 456.295 if:

19 (A) The proceeds of any fee, commission or other payment to a declarant
20 or to another person specified in the instrument, or to the declarant's or
21 other person's successors or assigns, are used exclusively to benefit the
22 property, or to support activities that directly benefit the residents of the
23 property, that is subject to the instrument; and

24 (B) The instrument is executed by:

25 (i) A public body as defined in ORS 174.109;

26 (ii) An agency of the United States;

27 (iii) A public benefit corporation, religious corporation or foreign corpo-
28 ration, all as defined in ORS 65.001, if the purposes of the corporation in-
29 clude providing affordable housing for low income households and moderate
30 income households as those terms are defined in ORS 456.270;

31 (iv) A limited liability company, as defined in [ORS 63.001 or, if appro-

priate, in] section 2 of this 2025 Act, that has a membership composed of one or more corporations described in sub-subparagraph (iii) of this subparagraph;

(v) A consumer housing cooperative as defined in ORS 456.548;

(vi) A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or

(vii) A federally recognized Indian tribe.

(f) A requirement for the payment of a fee to:

(A) A homeowners association as defined in ORS 94.550;

(B) An association of unit owners as defined in ORS 100.005;

(C) A managing entity of a timeshare plan, as those terms are defined in ORS 94.803;

(D) Any other owners' association that is governed by recorded covenants, conditions and restrictions; or

(E) An agent for an association or managing entity described in subparagraphs (A) to (D) of this paragraph.

(g) An agreement between a real estate licensee and a grantor or grantee that provides for any commission payable to the real estate licensee for the transfer of the real property.

SECTION 200. The amendments to ORS 93.269 by section 199 of this 2025 Act become operative on January 1, 2028.

SECTION 201. ORS 314.840 is amended to read:

314.840. (1) The Department of Revenue may:

(a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.239 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, representative or designee, with a copy of the taxpayer's income tax return filed with the department for any year, or with a copy of any report filed by the taxpayer in connection with the return, or with any other information the department considers necessary.

(b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

(c) Publish statistics so classified as to prevent the identification of in-

1 come or any particulars contained in any report or return.

2 (d) Disclose a taxpayer's name, address, telephone number, refund amount,
3 amount due, Social Security number, employer identification number or other
4 taxpayer identification number to the extent necessary in connection with
5 collection activities or the processing and mailing of correspondence or of
6 forms for any report or return required in the administration of any local
7 tax under ORS 305.620 or any law imposing a tax upon or measured by net
8 income.

9 (2) The department also may disclose and give access to information de-
10 scribed in ORS 314.835 to:

11 (a) The Governor of the State of Oregon or the authorized representative
12 of the Governor with respect to an individual who is designated as being
13 under consideration for appointment or reappointment to an office or for
14 employment in the office of the Governor. The information disclosed shall
15 be confined to whether the individual:

16 (A) Has filed returns with respect to the taxes imposed by ORS chapter
17 316 for those of not more than the three immediately preceding years for
18 which the individual was required to file an Oregon individual income tax
19 return.

20 (B) Has failed to pay any tax within 30 days from the date of mailing of
21 a deficiency notice or otherwise respond to a deficiency notice within 30 days
22 of its mailing.

23 (C) Has been assessed any penalty under the Oregon personal income tax
24 laws and the nature of the penalty.

25 (D) Has been or is under investigation for possible criminal offenses un-
26 der the Oregon personal income tax laws. Information disclosed pursuant to
27 this paragraph shall be used only for the purpose of making the appointment,
28 reappointment or decision to employ or not to employ the individual in the
29 office of the Governor.

30 (b) An officer or employee of the Oregon Department of Administrative
31 Services duly authorized or employed to prepare revenue estimates, or a

1 person contracting with the Oregon Department of Administrative Services
2 to prepare revenue estimates, in the preparation of revenue estimates re-
3 quired for the Governor's budget under ORS 291.201 to 291.224, or required
4 for submission to the Emergency Board or the Joint Interim Committee on
5 Ways and Means, or if the Legislative Assembly is in session, to the Joint
6 Committee on Ways and Means, and to the Legislative Revenue Officer or
7 Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The De-
8 partment of Revenue shall disclose and give access to the information de-
9 scribed in ORS 314.835 for the purposes of this paragraph only if:

10 (A) The request for information is made in writing, specifies the purposes
11 for which the request is made and is signed by an authorized representative
12 of the Oregon Department of Administrative Services. The form for request
13 for information shall be prescribed by the Oregon Department of Adminis-
14 trative Services and approved by the Director of the Department of Revenue.

15 (B) The officer, employee or person receiving the information does not
16 remove from the premises of the Department of Revenue any materials that
17 would reveal the identity of a personal or corporate taxpayer.

18 (c) The Commissioner of Internal Revenue or authorized representative,
19 for tax administration and compliance purposes only.

20 (d) For tax administration and compliance purposes, the proper officer or
21 authorized representative of any of the following entities that has or is
22 governed by a provision of law that meets the requirements of any applicable
23 provision of the Internal Revenue Code as to confidentiality:

24 (A) A state;

25 (B) A city, county or other political subdivision of a state;

26 (C) The District of Columbia; or

27 (D) An association established exclusively to provide services to federal,
28 state or local taxing authorities.

29 (e) The Multistate Tax Commission or its authorized representatives, for
30 tax administration and compliance purposes only. The Multistate Tax Com-
31 mission may make the information available to the Commissioner of Internal

1 Revenue or the proper officer or authorized representative of any govern-
2 mental entity described in and meeting the qualifications of paragraph (d)
3 of this subsection.

4 (f) The Attorney General, assistants and employees in the Department of
5 Justice, or other legal representative of the State of Oregon, to the extent
6 the department deems disclosure or access necessary for the performance of
7 the duties of advising or representing the department pursuant to ORS
8 180.010 to 180.240 and the tax laws of the state.

9 (g) Employees of the State of Oregon, other than of the Department of
10 Revenue or Department of Justice, to the extent the department deems dis-
11 closure or access necessary for such employees to perform their duties under
12 contracts or agreements between the department and any other department,
13 agency or subdivision of the State of Oregon, in the department's adminis-
14 tration of the tax laws.

15 (h) Other persons, partnerships, corporations and other legal entities, and
16 their employees, to the extent the department deems disclosure or access
17 necessary for the performance of such others' duties under contracts or
18 agreements between the department and such legal entities, in the
19 department's administration of the tax laws.

20 (i) The Legislative Revenue Officer or authorized representatives upon
21 compliance with ORS 173.850. Such officer or representative shall not remove
22 from the premises of the department any materials that would reveal the
23 identity of any taxpayer or any other person.

24 (j) The Department of Consumer and Business Services, to the extent the
25 department requires such information to determine whether it is appropriate
26 to adjust those workers' compensation benefits the amount of which is based
27 pursuant to ORS chapter 656 on the amount of wages or earned income re-
28 ceived by an individual.

29 (k) Any agency of the State of Oregon, or any person, or any officer or
30 employee of such agency or person to whom disclosure or access is given by
31 state law and not otherwise referred to in this section, including but not

limited to the Secretary of State as Auditor of Public Accounts under Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to ORS 412.094; the Division of Child Support of the Department of Justice and district attorney regarding cases for which they are providing support enforcement services under ORS 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy, pursuant to ORS 673.415.

(L) The Director of the Department of Consumer and Business Services to determine that a person complies with ORS chapter 656 and the Director of the Employment Department to determine that a person complies with ORS chapter 657, the following employer information:

(A) Identification numbers.

(B) Names and addresses.

(C) Inception date as employer.

(D) Nature of business.

(E) Entity changes.

(F) Date of last payroll.

(m) The Director of the Oregon Health Authority to determine that a person has the ability to pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health Authority to collect any unpaid cost of care as provided by ORS chapter 179.

(n) Employees of the Employment Department:

(A) To the extent the Department of Revenue deems disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary to performance of their duties in administering the tax imposed by ORS chapter 657; or

(B) For the purpose of detecting the occurrence of identity theft or fraud through the examination of the following taxpayer particulars:

(i) Individual taxpayer identification number.

(ii) Name, address and date of birth.

(iii) Employer name, employer identification number and amount of wages

paid.

(iv) Self-employment income amount and source.

(v) Other particulars of the return as defined in ORS 314.835, at the discretion of the Director of the Department of Revenue, on a case-by-case basis.

(o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and standard industrial classification, if available.

(p) Employees of the Department of State Lands or State Treasurer for the purposes of returning unclaimed property and identifying, locating and publishing lists of taxpayers entitled to unclaimed refunds under ORS 98.302 to 98.436.

(q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement agencies to assist in the investigation or prosecution of the following criminal activities:

(A) Mail theft of a check, in which case the information that may be disclosed shall be limited to the stolen document, the name, address and taxpayer identification number of the payee, the amount of the check and the date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(r) The United States Postal Inspection Service or a federal law enforcement agency, including but not limited to the United States Department of Justice, to assist in the investigation of the following criminal activities:

(A) Mail theft of a check, in which case the information that may be disclosed shall be limited to the stolen document, the name, address and taxpayer identification number of the payee, the amount of the check and the

date printed on the check.

(B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, address and taxpayer identification number of the payee, the amount of the check, the date printed on the check and the altered name and address.

(s) The United States Financial Management Service, for purposes of facilitating the offsets described in ORS 305.612.

(t) A municipal corporation of this state for purposes of assisting the municipal corporation in the administration of a tax of the municipal corporation that is imposed on or measured by income, wages or net earnings from self-employment. Any disclosure under this paragraph may be made only pursuant to a written agreement between the Department of Revenue and the municipal corporation that ensures the confidentiality of the information disclosed.

(u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS 314.843.

(v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the purposes of ORS 237.635 (3) and 237.637 (2).

(w) The Secretary of State for the purpose of initiating or supporting a recommendation under ORS 60.032 (3) or 63.032 (3) **or section 66 of this 2025 Act** to administratively dissolve a corporation or limited liability company that the Director of the Department of Revenue determines has failed to comply with applicable tax laws of the state.

(x)(A) A multijurisdictional information sharing organization formed with oversight by the Internal Revenue Service to combat identity theft and fraud, if the Department of Revenue is a member of the organization; and

(B) Tax preparation software vendors that are members of an organization

described in subparagraph (A) of this paragraph, if information described in ORS 314.835 is shared for the purpose of investigating industry leads of potential identity theft or fraud.

(y) The State Treasurer, for the purpose of providing employer responses, as indicated on annual withholding reports submitted to the Department of Revenue, about whether an employer offers a qualified retirement savings plan as listed in ORS 178.215.

(z) The Oregon 529 Savings Board, for the purpose of facilitating the establishment of accounts by personal income taxpayers under ORS 178.335 within the Oregon 529 Savings Network through the use of income tax return forms.

(3)(a) Each officer or employee of the department and each person described or referred to in subsection (2)(a), (b), (f) to (L), (n) to (q) or (w) of this section to whom disclosure or access to the tax information is given under subsection (2) of this section or any other provision of state law, prior to beginning employment or the performance of duties involving such disclosure or access, shall be advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the violation of ORS 314.835, and shall as a condition of employment or performance of duties execute a certificate for the department, in a form prescribed by the department, stating in substance that the person has read these provisions of law, that the person has had them explained and that the person is aware of the penalties for the violation of ORS 314.835.

(b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a written agreement has been entered into between the Department of Revenue and the person described in subsection (2)(r) of this section to whom disclosure or access to the tax information is given, providing that:

(A) Any information described in ORS 314.835 that is received by the person pursuant to subsection (2)(r) of this section is confidential information that may not be disclosed, except to the extent necessary to investigate

or prosecute the criminal activities described in subsection (2)(r) of this section;

(B) The information shall be protected as confidential under applicable federal and state laws; and

(C) The United States Postal Inspection Service or the federal law enforcement agency shall give notice to the Department of Revenue of any request received under the federal Freedom of Information Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

(4) The Department of Revenue may recover the costs of furnishing the information described in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

SECTION 202. ORS 314.840, as amended by section 201 of this 2025 Act, is amended to read:

314.840. (1) The Department of Revenue may:

(a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.239 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, representative or designee, with a copy of the taxpayer's income tax return filed with the department for any year, or with a copy of any report filed by the taxpayer in connection with the return, or with any other information the department considers necessary.

(b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

(c) Publish statistics so classified as to prevent the identification of income or any particulars contained in any report or return.

(d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social Security number, employer identification number or other taxpayer identification number to the extent necessary in connection with collection activities or the processing and mailing of correspondence or of forms for any report or return required in the administration of any local tax under ORS 305.620 or any law imposing a tax upon or measured by net income.

(2) The department also may disclose and give access to information de-

scribed in ORS 314.835 to:

(a) The Governor of the State of Oregon or the authorized representative of the Governor with respect to an individual who is designated as being under consideration for appointment or reappointment to an office or for employment in the office of the Governor. The information disclosed shall be confined to whether the individual:

(A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not more than the three immediately preceding years for which the individual was required to file an Oregon individual income tax return.

(B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or otherwise respond to a deficiency notice within 30 days of its mailing.

(C) Has been assessed any penalty under the Oregon personal income tax laws and the nature of the penalty.

(D) Has been or is under investigation for possible criminal offenses under the Oregon personal income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose of making the appointment, reappointment or decision to employ or not to employ the individual in the office of the Governor.

(b) An officer or employee of the Oregon Department of Administrative Services duly authorized or employed to prepare revenue estimates, or a person contracting with the Oregon Department of Administrative Services to prepare revenue estimates, in the preparation of revenue estimates required for the Governor's budget under ORS 291.201 to 291.224, or required for submission to the Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative Assembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes of this paragraph only if:

(A) The request for information is made in writing, specifies the purposes for which the request is made and is signed by an authorized representative of the Oregon Department of Administrative Services. The form for request for information shall be prescribed by the Oregon Department of Administrative Services and approved by the Director of the Department of Revenue.

(B) The officer, employee or person receiving the information does not remove from the premises of the Department of Revenue any materials that would reveal the identity of a personal or corporate taxpayer.

(c) The Commissioner of Internal Revenue or authorized representative, for tax administration and compliance purposes only.

(d) For tax administration and compliance purposes, the proper officer or authorized representative of any of the following entities that has or is governed by a provision of law that meets the requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

(A) A state;

(B) A city, county or other political subdivision of a state;

(C) The District of Columbia; or

(D) An association established exclusively to provide services to federal, state or local taxing authorities.

(e) The Multistate Tax Commission or its authorized representatives, for tax administration and compliance purposes only. The Multistate Tax Commission may make the information available to the Commissioner of Internal Revenue or the proper officer or authorized representative of any governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

(f) The Attorney General, assistants and employees in the Department of Justice, or other legal representative of the State of Oregon, to the extent the department deems disclosure or access necessary for the performance of the duties of advising or representing the department pursuant to ORS 180.010 to 180.240 and the tax laws of the state.

(g) Employees of the State of Oregon, other than of the Department of

1 Revenue or Department of Justice, to the extent the department deems dis-
2 closure or access necessary for such employees to perform their duties under
3 contracts or agreements between the department and any other department,
4 agency or subdivision of the State of Oregon, in the department's adminis-
5 tration of the tax laws.

6 (h) Other persons, partnerships, corporations and other legal entities, and
7 their employees, to the extent the department deems disclosure or access
8 necessary for the performance of such others' duties under contracts or
9 agreements between the department and such legal entities, in the
10 department's administration of the tax laws.

11 (i) The Legislative Revenue Officer or authorized representatives upon
12 compliance with ORS 173.850. Such officer or representative shall not remove
13 from the premises of the department any materials that would reveal the
14 identity of any taxpayer or any other person.

15 (j) The Department of Consumer and Business Services, to the extent the
16 department requires such information to determine whether it is appropriate
17 to adjust those workers' compensation benefits the amount of which is based
18 pursuant to ORS chapter 656 on the amount of wages or earned income re-
19 ceived by an individual.

20 (k) Any agency of the State of Oregon, or any person, or any officer or
21 employee of such agency or person to whom disclosure or access is given by
22 state law and not otherwise referred to in this section, including but not
23 limited to the Secretary of State as Auditor of Public Accounts under Article
24 VI, section 2, of the Oregon Constitution; the Department of Human Services
25 pursuant to ORS 412.094; the Division of Child Support of the Department
26 of Justice and district attorney regarding cases for which they are providing
27 support enforcement services under ORS 25.080; the State Board of Tax
28 Practitioners, pursuant to ORS 673.710; and the Oregon Board of
29 Accountancy, pursuant to ORS 673.415.

30 (L) The Director of the Department of Consumer and Business Services
31 to determine that a person complies with ORS chapter 656 and the Director

1 of the Employment Department to determine that a person complies with
2 ORS chapter 657, the following employer information:

3 (A) Identification numbers.

4 (B) Names and addresses.

5 (C) Inception date as employer.

6 (D) Nature of business.

7 (E) Entity changes.

8 (F) Date of last payroll.

9 (m) The Director of the Oregon Health Authority to determine that a
10 person has the ability to pay for care that includes services provided by the
11 Oregon State Hospital, or the Oregon Health Authority to collect any unpaid
12 cost of care as provided by ORS chapter 179.

13 (n) Employees of the Employment Department:

14 (A) To the extent the Department of Revenue deems disclosure or access
15 to information on a combined tax report filed under ORS 316.168 is necessary
16 to performance of their duties in administering the tax imposed by ORS
17 chapter 657; or

18 (B) For the purpose of detecting the occurrence of identity theft or fraud
19 through the examination of the following taxpayer particulars:

20 (i) Individual taxpayer identification number.

21 (ii) Name, address and date of birth.

22 (iii) Employer name, employer identification number and amount of wages
23 paid.

24 (iv) Self-employment income amount and source.

25 (v) Other particulars of the return as defined in ORS 314.835, at the dis-
26 cretion of the Director of the Department of Revenue, on a case-by-case basis.

27 (o) The State Fire Marshal to assist the State Fire Marshal in carrying
28 out duties, functions and powers under ORS 453.307 to 453.414, the employer
29 or agent name, address, telephone number and standard industrial classi-
30 fication, if available.

31 (p) Employees of the Department of State Lands or State Treasurer for

1 the purposes of returning unclaimed property and identifying, locating and
2 publishing lists of taxpayers entitled to unclaimed refunds under ORS 98.302
3 to 98.436.

4 (q) In addition to the disclosure allowed under ORS 305.225, state or local
5 law enforcement agencies to assist in the investigation or prosecution of the
6 following criminal activities:

7 (A) Mail theft of a check, in which case the information that may be
8 disclosed shall be limited to the stolen document, the name, address and
9 taxpayer identification number of the payee, the amount of the check and the
10 date printed on the check.

11 (B) The counterfeiting, forging or altering of a check submitted by a
12 taxpayer to the Department of Revenue or issued by the Department of
13 Revenue to a taxpayer, in which case the information that may be disclosed
14 shall be limited to the counterfeit, forged or altered document, the name,
15 address and taxpayer identification number of the payee, the amount of the
16 check, the date printed on the check and the altered name and address.

17 (r) The United States Postal Inspection Service or a federal law enforce-
18 ment agency, including but not limited to the United States Department of
19 Justice, to assist in the investigation of the following criminal activities:

20 (A) Mail theft of a check, in which case the information that may be
21 disclosed shall be limited to the stolen document, the name, address and
22 taxpayer identification number of the payee, the amount of the check and the
23 date printed on the check.

24 (B) The counterfeiting, forging or altering of a check submitted by a
25 taxpayer to the Department of Revenue or issued by the Department of
26 Revenue to a taxpayer, in which case the information that may be disclosed
27 shall be limited to the counterfeit, forged or altered document, the name,
28 address and taxpayer identification number of the payee, the amount of the
29 check, the date printed on the check and the altered name and address.

30 (s) The United States Financial Management Service, for purposes of fa-
31 cilitating the offsets described in ORS 305.612.

1 (t) A municipal corporation of this state for purposes of assisting the
2 municipal corporation in the administration of a tax of the municipal cor-
3 poration that is imposed on or measured by income, wages or net earnings
4 from self-employment. Any disclosure under this paragraph may be made only
5 pursuant to a written agreement between the Department of Revenue and the
6 municipal corporation that ensures the confidentiality of the information
7 disclosed.

8 (u) A consumer reporting agency, to the extent necessary to carry out the
9 purposes of ORS 314.843.

10 (v) The Public Employees Retirement Board, to the extent necessary to
11 carry out the purposes of ORS 238.372 to 238.384, and to any public employer,
12 to the extent necessary to carry out the purposes of ORS 237.635 (3) and
13 237.637 (2).

14 (w) The Secretary of State for the purpose of initiating or supporting a
15 recommendation under ORS 60.032 (3) [*or 63.032 (3)*] or section 66 of this 2025
16 Act to administratively dissolve a corporation or limited liability company
17 that the Director of the Department of Revenue determines has failed to
18 comply with applicable tax laws of the state.

19 (x)(A) A multijurisdictional information sharing organization formed with
20 oversight by the Internal Revenue Service to combat identity theft and fraud,
21 if the Department of Revenue is a member of the organization; and

22 (B) Tax preparation software vendors that are members of an organization
23 described in subparagraph (A) of this paragraph, if information described in
24 ORS 314.835 is shared for the purpose of investigating industry leads of po-
25 tential identity theft or fraud.

26 (y) The State Treasurer, for the purpose of providing employer responses,
27 as indicated on annual withholding reports submitted to the Department of
28 Revenue, about whether an employer offers a qualified retirement savings
29 plan as listed in ORS 178.215.

30 (z) The Oregon 529 Savings Board, for the purpose of facilitating the es-
31 tablishment of accounts by personal income taxpayers under ORS 178.335

1 within the Oregon 529 Savings Network through the use of income tax return
2 forms.

3 (3)(a) Each officer or employee of the department and each person de-
4 scribed or referred to in subsection (2)(a), (b), (f) to (L), (n) to (q) or (w) of
5 this section to whom disclosure or access to the tax information is given
6 under subsection (2) of this section or any other provision of state law, prior
7 to beginning employment or the performance of duties involving such dis-
8 closure or access, shall be advised in writing of the provisions of ORS 314.835
9 and 314.991, relating to penalties for the violation of ORS 314.835, and shall
10 as a condition of employment or performance of duties execute a certificate
11 for the department, in a form prescribed by the department, stating in sub-
12 stance that the person has read these provisions of law, that the person has
13 had them explained and that the person is aware of the penalties for the
14 violation of ORS 314.835.

15 (b) The disclosure authorized in subsection (2)(r) of this section shall be
16 made only after a written agreement has been entered into between the De-
17 partment of Revenue and the person described in subsection (2)(r) of this
18 section to whom disclosure or access to the tax information is given, pro-
19 viding that:

20 (A) Any information described in ORS 314.835 that is received by the
21 person pursuant to subsection (2)(r) of this section is confidential informa-
22 tion that may not be disclosed, except to the extent necessary to investigate
23 or prosecute the criminal activities described in subsection (2)(r) of this
24 section;

25 (B) The information shall be protected as confidential under applicable
26 federal and state laws; and

27 (C) The United States Postal Inspection Service or the federal law
28 enforcement agency shall give notice to the Department of Revenue of any
29 request received under the federal Freedom of Information Act, 5 U.S.C. 552,
30 or other federal law relating to the disclosure of information.

31 (4) The Department of Revenue may recover the costs of furnishing the

information described in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

SECTION 203. The amendments to ORS 314.840 by section 202 of this 2025 Act become operative on January 1, 2028.

SECTION 204. ORS 401.690 is amended to read:

401.690. (1) Disaster or emergency related work conducted by an out-of-state business may not be used as the sole basis for:

(a) Notwithstanding ORS 317.018 and 317.080, a finding that the out-of-state business is doing business in this state;

(b) Imposition of the taxes imposed under ORS 314.725 or ORS chapter 316 or 317;

(c) Notwithstanding ORS 60.704, 63.704, 65.704, 67.705 and 70.355 **and section 76 of this 2025 Act**, a requirement that the out-of-state business register with or obtain authority to transact business from the Secretary of State during the disaster response period; or

(d) A requirement that the out-of-state business or an out-of-state employee comply with state or local business or professional licensing or registration requirements or state and local taxes or fees including unemployment insurance, state or local occupational licensing fees and ad valorem tax on equipment brought into this state for use during the disaster response period and subsequently removed from this state.

(2) For purposes of any state or local tax on or measured by, in whole or in part, net or gross income or receipts, all activity of the out-of-state business that is conducted in this state, or equipment brought into this state, pursuant to ORS 401.685 to 401.695 shall be disregarded with respect to the filing requirements of ORS 317.710 and 317.715 and the apportionment provisions of ORS 314.605 to 314.675. Receipts from disaster or emergency related work may not be sourced to and may not otherwise impact or increase the amount of income, revenue or receipts apportioned to this state.

(3) For purposes of ORS chapter 316, an out-of-state employee is not taxed as a resident, nonresident or part-year resident and is not considered to have

established domicile or residence in this state. Wages paid for disaster or emergency related work are not subject to the withholding provisions of ORS 316.162 to 316.221.

(4) Out-of-state businesses and out-of-state employees shall be required to pay transaction taxes and fees including fuel taxes, transient lodging taxes, car rental taxes or applicable fees during the disaster response period, unless an exemption applies to the taxes or fees during the disaster response period.

(5) Any out-of-state business that transacts business in this state or out-of-state employee who remains in this state after the end of the disaster response period will become subject to this state's normal standards for establishing domicile or residency or doing business in this state and will become responsible for any business or employee tax requirements that ensue.

(6) ORS 401.990 does not apply to ORS 401.685 to 401.695.

SECTION 205. ORS 401.690, as amended by section 204 of this 2025 Act, is amended to read:

401.690. (1) Disaster or emergency related work conducted by an out-of-state business may not be used as the sole basis for:

(a) Notwithstanding ORS 317.018 and 317.080, a finding that the out-of-state business is doing business in this state;

(b) Imposition of the taxes imposed under ORS 314.725 or ORS chapter 316 or 317;

(c) Notwithstanding ORS 60.704, [63.704,] 65.704, 67.705 and 70.355 and section 76 of this 2025 Act, a requirement that the out-of-state business register with or obtain authority to transact business from the Secretary of State during the disaster response period; or

(d) A requirement that the out-of-state business or an out-of-state employee comply with state or local business or professional licensing or registration requirements or state and local taxes or fees including unemployment insurance, state or local occupational licensing fees and ad valorem tax on equipment brought into this state for use during the disaster

response period and subsequently removed from this state.

(2) For purposes of any state or local tax on or measured by, in whole or in part, net or gross income or receipts, all activity of the out-of-state business that is conducted in this state, or equipment brought into this state, pursuant to ORS 401.685 to 401.695 shall be disregarded with respect to the filing requirements of ORS 317.710 and 317.715 and the apportionment provisions of ORS 314.605 to 314.675. Receipts from disaster or emergency related work may not be sourced to and may not otherwise impact or increase the amount of income, revenue or receipts apportioned to this state.

(3) For purposes of ORS chapter 316, an out-of-state employee is not taxed as a resident, nonresident or part-year resident and is not considered to have established domicile or residence in this state. Wages paid for disaster or emergency related work are not subject to the withholding provisions of ORS 316.162 to 316.221.

(4) Out-of-state businesses and out-of-state employees shall be required to pay transaction taxes and fees including fuel taxes, transient lodging taxes, car rental taxes or applicable fees during the disaster response period, unless an exemption applies to the taxes or fees during the disaster response period.

(5) Any out-of-state business that transacts business in this state or out-of-state employee who remains in this state after the end of the disaster response period will become subject to this state's normal standards for establishing domicile or residency or doing business in this state and will become responsible for any business or employee tax requirements that ensue.

(6) ORS 401.990 does not apply to ORS 401.685 to 401.695.

SECTION 206. The amendments to ORS 401.690 by section 205 of this 2025 Act become operative on January 1, 2028.

SECTION 207. ORS 648.005 is amended to read:

648.005. As used in this chapter:

(1)(a) "Assumed business name" means one or more words or numerals, or a combination of words and numerals, that a person uses to identify a

business that the person carries on, conducts or transacts, if at the time and place that the person carries on, conducts or transacts the business, the person does not conspicuously disclose the real and true name of each person that is carrying on, conducting or transacting the business.

(b) “Assumed business name” includes a name that a person uses to identify a business that incorporates a word or phrase that suggests the existence of additional owners, such as “Company,” “& Company,” “& Daughters,” “& Associates,” or a similar word or phrase, unless the name is the real and true name of the person that carries on, conducts or transacts the business.

(2) “Business” means activity carried on, conducted or transacted by or on behalf of nonprofit, social, fraternal and charitable entities and unincorporated associations, or for commercial gain.

(3) “Carry on, conduct or transact business” means:

(a) To sell, purchase or lease real estate, goods, intangible property or services from or to another person;

(b) To solicit an investment in or a donation to a business;

(c) To knowingly permit another person to solicit an investment in or a donation to a business in which a person has an interest; or

(d) To apply for an extension of credit.

(4) “Entity” means a foreign or domestic corporation, foreign or domestic nonprofit corporation, foreign or domestic profit or nonprofit unincorporated association, foreign or domestic business trust, foreign or domestic limited partnership, foreign or domestic general partnership, foreign or domestic limited liability company, two or more persons that have a joint or common economic interest, a state, the United States, a federally recognized Native American or American Indian tribal government or a foreign government.

(5) “Person” means an individual or an entity.

(6) “Real and true name” means:

(a) The surname of an individual coupled with a combination of the individual’s given names or initials;

(b) The corporate name of a domestic corporation stated in the articles of incorporation or amendment filed with the office of the Secretary of State or the corporate name of a foreign corporation as stated under ORS 60.707 (1);

(c) The name of a foreign or domestic limited partnership stated in the documents filed with the office of the Secretary of State under ORS chapter 70;

(d) The name of a foreign or domestic limited liability company stated in the documents filed with the office of the Secretary of State under ORS chapter 63 **or, if appropriate, under sections 1 to 125 of this 2025 Act;**

(e) The name of a foreign or domestic nonprofit corporation stated in the documents filed with the office of the Secretary of State under ORS chapter 65;

(f) The name of a foreign or domestic general partnership stated in the documents filed with the office of the Secretary of State under this chapter; or

(g) The name of a foreign or domestic business trust or estate stated in the documents filed with the office of the Secretary of State.

(7) “Registrant” means a person for which the Secretary of State has registered an application filed under ORS 648.012.

(8) “Service mark” has the meaning given in ORS 647.005.

SECTION 208. ORS 648.005, as amended by section 207 of this 2025 Act, is amended to read:

648.005. As used in this chapter:

(1)(a) “Assumed business name” means one or more words or numerals, or a combination of words and numerals, that a person uses to identify a business that the person carries on, conducts or transacts, if at the time and place that the person carries on, conducts or transacts the business, the person does not conspicuously disclose the real and true name of each person that is carrying on, conducting or transacting the business.

(b) “Assumed business name” includes a name that a person uses to

1 identify a business that incorporates a word or phrase that suggests the ex-
 2 istence of additional owners, such as “Company,” “& Company,” “& Daugh-
 3 ters,” “& Associates,” or a similar word or phrase, unless the name is the
 4 real and true name of the person that carries on, conducts or transacts the
 5 business.

6 (2) “Business” means activity carried on, conducted or transacted by or
 7 on behalf of nonprofit, social, fraternal and charitable entities and unincor-
 8 porated associations, or for commercial gain.

9 (3) “Carry on, conduct or transact business” means:

10 (a) To sell, purchase or lease real estate, goods, intangible property or
 11 services from or to another person;

12 (b) To solicit an investment in or a donation to a business;

13 (c) To knowingly permit another person to solicit an investment in or a
 14 donation to a business in which a person has an interest; or

15 (d) To apply for an extension of credit.

16 (4) “Entity” means a foreign or domestic corporation, foreign or domestic
 17 nonprofit corporation, foreign or domestic profit or nonprofit unincorporated
 18 association, foreign or domestic business trust, foreign or domestic limited
 19 partnership, foreign or domestic general partnership, foreign or domestic
 20 limited liability company, two or more persons that have a joint or common
 21 economic interest, a state, the United States, a federally recognized Native
 22 American or American Indian tribal government or a foreign government.

23 (5) “Person” means an individual or an entity.

24 (6) “Real and true name” means:

25 (a) The surname of an individual coupled with a combination of the
 26 individual’s given names or initials;

27 (b) The corporate name of a domestic corporation stated in the articles
 28 of incorporation or amendment filed with the office of the Secretary of State
 29 or the corporate name of a foreign corporation as stated under ORS 60.707
 30 (1);

31 (c) The name of a foreign or domestic limited partnership stated in the

documents filed with the office of the Secretary of State under ORS chapter 70;

(d) The name of a foreign or domestic limited liability company stated in the documents filed with the office of the Secretary of State under [*ORS chapter 63 or, if appropriate, under*] sections 1 to 125 of this 2025 Act;

(e) The name of a foreign or domestic nonprofit corporation stated in the documents filed with the office of the Secretary of State under ORS chapter 65;

(f) The name of a foreign or domestic general partnership stated in the documents filed with the office of the Secretary of State under this chapter; or

(g) The name of a foreign or domestic business trust or estate stated in the documents filed with the office of the Secretary of State.

(7) “Registrant” means a person for which the Secretary of State has registered an application filed under ORS 648.012.

(8) “Service mark” has the meaning given in ORS 647.005.

SECTION 209. The amendments to ORS 648.005 by section 208 of this 2025 Act become operative on January 1, 2028.

SECTION 210. ORS 648.081 is amended to read:

648.081. (1) No person shall procure or maintain the registration of an assumed business name with the Office of the Secretary of State by knowingly making any false or fraudulent representation or declaration, orally or in writing, or by any other fraudulent means. No person shall register or use an assumed business name with an intent to create a likelihood of confusion with another person.

(2) A person that is not a corporation, limited liability company, business trust or limited partnership violates subsection (1) of this section if the person registers an assumed business name that contains the words “corporation,” “incorporated,” “limited liability company,” “limited partnership” or “business trust” or an abbreviation of any of those terms.

(3) A foreign or domestic profit or nonprofit corporation may register as

an assumed business name its corporate name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

(4) A foreign or domestic limited liability company may register as an assumed business name its limited liability company name minus the word, abbreviation or phrase that ORS 63.094 or 63.717 **or section 13 of this 2025 Act** requires.

(5) A foreign or domestic limited partnership may register as an assumed business name its limited partnership name minus the word, abbreviation or phrase that ORS 70.010 or 70.365 requires.

(6) A foreign or domestic business trust may register as an assumed business name its business trust name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

(7) The Secretary of State shall cancel the registration of a conflicting assumed business name if a person other than the registrant submits to the Office of the Secretary of State a certified copy of a final judgment of a court that finds that the person has a right superior to that of the registrant to use the name in this state. Nothing in this subsection shall preclude the Secretary of State from seeking a civil penalty under ORS 648.990 after cancellation if the former registrant continues to carry on, to conduct or to transact business under the assumed business name.

(8) Nothing in this section shall limit any person's right to seek a remedy under ORS 646.638 or to seek an injunction under ORS 647.107.

SECTION 211. ORS 648.081, as amended by section 210 of this 2025 Act, is amended to read:

648.081. (1) No person shall procure or maintain the registration of an assumed business name with the Office of the Secretary of State by knowingly making any false or fraudulent representation or declaration, orally or in writing, or by any other fraudulent means. No person shall register or use an assumed business name with an intent to create a likelihood of confusion with another person.

(2) A person that is not a corporation, limited liability company, business

trust or limited partnership violates subsection (1) of this section if the person registers an assumed business name that contains the words “corporation,” “incorporated,” “limited liability company,” “limited partnership” or “business trust” or an abbreviation of any of those terms.

(3) A foreign or domestic profit or nonprofit corporation may register as an assumed business name its corporate name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

(4) A foreign or domestic limited liability company may register as an assumed business name its limited liability company name minus the word, abbreviation or phrase that [ORS 63.094 or 63.717 or] section 13 of this 2025 Act requires.

(5) A foreign or domestic limited partnership may register as an assumed business name its limited partnership name minus the word, abbreviation or phrase that ORS 70.010 or 70.365 requires.

(6) A foreign or domestic business trust may register as an assumed business name its business trust name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

(7) The Secretary of State shall cancel the registration of a conflicting assumed business name if a person other than the registrant submits to the Office of the Secretary of State a certified copy of a final judgment of a court that finds that the person has a right superior to that of the registrant to use the name in this state. Nothing in this subsection shall preclude the Secretary of State from seeking a civil penalty under ORS 648.990 after cancellation if the former registrant continues to carry on, to conduct or to transact business under the assumed business name.

(8) Nothing in this section shall limit any person’s right to seek a remedy under ORS 646.638 or to seek an injunction under ORS 647.107.

SECTION 212. The amendments to ORS 648.081 by section 211 of this 2025 Act become operative on January 1, 2028.

SECTION 213. ORS 656.735 is amended to read:

656.735. (1) The Director of the Department of Consumer and Business

Services shall assess any person who violates ORS 656.052 (1) a civil penalty of not more than \$1,000 or twice the premium that would have been due for the period of noncompliance, whichever is the greater.

(2) The director shall assess any person who continues to violate ORS 656.052 (1), after an order issued pursuant to ORS 656.052 (2) has become final, a civil penalty, in addition to any penalty assessed under subsection (1) of this section, of not more than \$250 for each day such violation continues.

(3)(a) When a noncomplying employer is a corporation, such corporation and the officers and directors thereof shall be jointly and severally liable for any civil penalties assessed under this section and any claim costs incurred under ORS 656.054.

(b) When a noncomplying employer is a limited liability company, the company and its members and managers shall be jointly and severally liable for any civil penalties assessed by the director under this section and any claim costs incurred under ORS 656.054. As used in this paragraph, “limited liability company,” “manager” and “member” have the meanings for those terms provided in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(c) When a noncomplying employer is a limited liability partnership or foreign limited liability partnership, the partnership and its limited liability partners shall be jointly and severally liable for any civil penalties assessed by the director under this section and any claim costs incurred under ORS 656.054. As used in this paragraph, “limited liability partnership” and “foreign limited liability partnership” have the meanings for those terms provided in ORS 67.005.

(d) When a noncomplying employer is a partnership, the partnership and its partners shall be jointly and severally liable for any civil penalties assessed by the director under this section and any claim costs incurred under ORS 656.054. As used in this paragraph, “partnership” has the meaning for that term provided in ORS 67.005.

(4) When an order assessing a civil penalty becomes final by operation of law or on appeal, unless the amount of penalty is paid within 10 days after the order becomes final, it constitutes a judgment and may be recorded with the county clerk in any county of this state. The clerk shall thereupon record the name of the person incurring the penalty and the amount of the penalty in the County Clerk Lien Record. The penalty provided in the order so recorded shall become a lien upon the title to any interest in property owned by the person against whom the order is entered, and execution may be issued upon the order in the same manner as execution upon a judgment of a court of record.

(5) Civil penalties, and judgments entered thereon, due to the director under this section from any person shall be deemed preferred to all general claims in all bankruptcy proceedings, trustee proceedings, and proceedings for the administration of estates and receiverships involving the person liable therefor or the property of such person.

(6) All moneys collected under this section shall be paid into the Workers' Benefit Fund.

SECTION 214. ORS 656.735, as amended by section 213 of this 2025 Act, is amended to read:

656.735. (1) The Director of the Department of Consumer and Business Services shall assess any person who violates ORS 656.052 (1) a civil penalty of not more than \$1,000 or twice the premium that would have been due for the period of noncompliance, whichever is the greater.

(2) The director shall assess any person who continues to violate ORS 656.052 (1), after an order issued pursuant to ORS 656.052 (2) has become final, a civil penalty, in addition to any penalty assessed under subsection (1) of this section, of not more than \$250 for each day such violation continues.

(3)(a) When a noncomplying employer is a corporation, such corporation and the officers and directors thereof shall be jointly and severally liable for any civil penalties assessed under this section and any claim costs incurred

1 under ORS 656.054.

2 (b) When a noncomplying employer is a limited liability company, the
3 company and its members and managers shall be jointly and severally liable
4 for any civil penalties assessed by the director under this section and any
5 claim costs incurred under ORS 656.054. As used in this paragraph, “limited
6 liability company,” “manager” and “member” have the meanings for those
7 terms provided in [*ORS 63.001 or, as appropriate, in*] section 2 of this 2025
8 Act.

9 (c) When a noncomplying employer is a limited liability partnership or
10 foreign limited liability partnership, the partnership and its limited liability
11 partners shall be jointly and severally liable for any civil penalties assessed
12 by the director under this section and any claim costs incurred under ORS
13 656.054. As used in this paragraph, “limited liability partnership” and “for-
14 eign limited liability partnership” have the meanings for those terms pro-
15 vided in ORS 67.005.

16 (d) When a noncomplying employer is a partnership, the partnership and
17 its partners shall be jointly and severally liable for any civil penalties as-
18 sessed by the director under this section and any claim costs incurred under
19 ORS 656.054. As used in this paragraph, “partnership” has the meaning for
20 that term provided in ORS 67.005.

21 (4) When an order assessing a civil penalty becomes final by operation
22 of law or on appeal, unless the amount of penalty is paid within 10 days after
23 the order becomes final, it constitutes a judgment and may be recorded with
24 the county clerk in any county of this state. The clerk shall thereupon record
25 the name of the person incurring the penalty and the amount of the penalty
26 in the County Clerk Lien Record. The penalty provided in the order so re-
27 corded shall become a lien upon the title to any interest in property owned
28 by the person against whom the order is entered, and execution may be is-
29 sued upon the order in the same manner as execution upon a judgment of a
30 court of record.

31 (5) Civil penalties, and judgments entered thereon, due to the director

under this section from any person shall be deemed preferred to all general claims in all bankruptcy proceedings, trustee proceedings, and proceedings for the administration of estates and receiverships involving the person liable therefor or the property of such person.

(6) All moneys collected under this section shall be paid into the Workers' Benefit Fund.

SECTION 215. The amendments to ORS 656.735 by section 214 of this 2025 Act become operative on January 1, 2028.

SECTION 216. ORS 657.044 is amended to read:

657.044. (1) As used in this chapter, "employment" does not include service performed for:

(a) A corporation by corporate officers who:

(A) Are directors of the corporation;

(B) Have a substantial ownership interest in the corporation; and

(C) Are members of the same family.

(b) A corporation by an individual who is the sole corporate officer and director of the corporation and who has a substantial ownership interest in the corporation.

(c) A limited liability company by a member, including members who are managers, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(d) A limited liability partnership by a partner as described in ORS chapter 67.

(2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corporation elects not to provide coverage for the individuals described respectively in subsection (1)(a) or (b) of this section.

(b) The election must be in writing and is effective on the first day of the current calendar quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in which the request is submitted.

(3) The provisions of this section do not apply to service performed for:

(a) A nonprofit employing unit;

(b) This state;

(c) A political subdivision of this state; or

(d) An Indian tribe.

(4) As used in this section, “members of the same family” means persons who are members of a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sisters, children, stepchildren, adopted children or grandchildren.

SECTION 217. ORS 657.044, as amended by section 216 of this 2025 Act, is amended to read:

657.044. (1) As used in this chapter, “employment” does not include service performed for:

(a) A corporation by corporate officers who:

(A) Are directors of the corporation;

(B) Have a substantial ownership interest in the corporation; and

(C) Are members of the same family.

(b) A corporation by an individual who is the sole corporate officer and director of the corporation and who has a substantial ownership interest in the corporation.

(c) A limited liability company by a member, including members who are managers, as defined in [*ORS 63.001 or, as appropriate, in*] section 2 of this 2025 Act.

(d) A limited liability partnership by a partner as described in ORS chapter 67.

(2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corporation elects not to provide coverage for the individuals described respectively in subsection (1)(a) or (b) of this section.

(b) The election must be in writing and is effective on the first day of the current calendar quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in which the request is submitted.

(3) The provisions of this section do not apply to service performed for:

(a) A nonprofit employing unit;

(b) This state;

(c) A political subdivision of this state; or

(d) An Indian tribe.

(4) As used in this section, “members of the same family” means persons who are members of a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sisters, children, stepchildren, adopted children or grandchildren.

SECTION 218. The amendments to ORS 657.044 by section 217 of this 2025 Act become operative on January 1, 2028.

SECTION 218a. ORS 671.047 is amended to read:

671.047. Unless inconsistent with ORS 671.041 to 671.047, ORS chapters 58, 60, 62, 63, 65, 67 and 70 **and sections 1 to 125 of this 2025 Act** apply as appropriate to the form of business entity in which an architectural firm is organized. The provisions of ORS 671.041 to 671.047 take precedence in governing the powers, privileges, duties, restrictions and liabilities of an architectural firm over conflicting provisions of ORS chapter 58, 60, 62, 63, 65, 67 or 70 **or sections 1 to 125 of this 2025 Act.**

SECTION 218b. ORS 671.047, as amended by section 218a of this 2025 Act, is amended to read:

671.047. Unless inconsistent with ORS 671.041 to 671.047, ORS chapters 58, 60, 62, [63,] 65, 67 and 70 and sections 1 to 125 of this 2025 Act apply as appropriate to the form of business entity in which an architectural firm is organized. The provisions of ORS 671.041 to 671.047 take precedence in governing the powers, privileges, duties, restrictions and liabilities of an architectural firm over conflicting provisions of ORS chapter 58, 60, 62, [63,] 65, 67 or 70 **or sections 1 to 125 of this 2025 Act.**

SECTION 218c. The amendments to ORS 671.047 by section 218b of this 2025 Act become operative on January 1, 2028.

SECTION 219. ORS 696.030 is amended to read:

696.030. ORS 696.010 to 696.375, 696.392, 696.395 to 696.430, 696.490, 696.600 to 696.785, 696.990 and 696.995 do not apply to:

1 (1)(a) A nonlicensed individual who is a full-time employee of an owner
2 of real estate and whose real estate activity:

3 (A) Involves only the real estate of the employer; and

4 (B)(i) Is incidental to the employee's normal, nonreal estate activities; or

5 (ii) Is the employee's principal activity, but the employer's principal ac-
6 tivity or business is not the sale, exchange, lease option or acquisition of
7 real estate.

8 (b) For the purpose of this subsection, "owner of real estate" means:

9 (A) A person who has a sole ownership interest in the real estate; or

10 (B) More than one person, each of whom has an ownership interest in the
11 real estate, if the ownership interest is by survivorship, tenancy in common
12 or tenancy by the entirety.

13 (2) A nonlicensed individual who acts as attorney in fact under a duly
14 executed power of attorney from the owner or purchaser authorizing the
15 supervision of the closing of or supervision of the performance of a contract
16 for the sale, leasing or exchanging of real estate if the power of attorney
17 was executed prior to July 1, 2002, in compliance with the requirements of
18 law at the time of execution or if:

19 (a) The power of attorney is recorded in the office of the recording officer
20 for the county in which the real estate is located;

21 (b) The power of attorney specifically describes the real estate; and

22 (c) The nonlicensed individual does not use the power of attorney as a
23 device to engage in professional real estate activity without obtaining the
24 necessary real estate license.

25 (3) A nonlicensed individual who acts as attorney in fact under a duly
26 executed power of attorney in which the authorized agent is the spouse of
27 the principal, or the child, grandchild, parent, grandparent, sibling, aunt,
28 uncle, niece or nephew of the principal or of the spouse of the principal,
29 authorizing real estate activity if the power of attorney is recorded in the
30 office of the recording officer for the county in which the real estate to be
31 sold, leased or exchanged is located.

1 (4) A nonlicensed individual who is an attorney at law rendering services
2 in the performance of duties as an attorney at law.

3 (5) A nonlicensed individual who acts in the nonlicensed individual's of-
4 ficial capacity as a receiver, a conservator, a trustee in bankruptcy, a per-
5 sonal representative or a trustee, or a regular salaried employee of the
6 trustee, acting under a trust agreement, deed of trust or will.

7 (6) A nonlicensed individual who performs an act of professional real es-
8 tate activity under order of a court.

9 (7) A nonlicensed individual who is a regular full-time employee of a
10 single corporation, partnership, association, limited liability company or
11 nonlicensed individual owner of real property acting for the corporation,
12 partnership, association, limited liability company or nonlicensed individual
13 owner in the rental or management of the real property, but not in the sale,
14 exchange, lease option or purchase of the real property.

15 (8) A nonlicensed individual who is a registered professional engineer or
16 architect rendering services in performance of duties as a professional engi-
17 neer or architect.

18 (9) A nonlicensed individual who is employed by a principal real estate
19 broker engaged in the management of rental real estate or by a licensed real
20 estate property manager and who acts on behalf of the principal real estate
21 broker or licensed real estate property manager pursuant to a written dele-
22 gation of the principal real estate broker's or licensed real estate property
23 manager's authority, as provided by the agency by rule, if the real estate
24 activity of the nonlicensed individual is limited to:

25 (a) Negotiating rental or lease agreements;

26 (b) Checking tenant and credit references;

27 (c) Physically maintaining the real estate;

28 (d) Conducting tenant relations;

29 (e) Collecting the rent;

30 (f) Supervising the premises' managers;

31 (g) Discussing financial matters relating to the management of the real

estate with the owner; and

(h) Receiving and disbursing trust funds in a clients' trust account under ORS 696.241.

(10) A nonlicensed individual who sells or leases cemetery lots, parcels or units while engaged in the disposition of human bodies under ORS 97.010 to 97.040, 97.110 to 97.450, 97.510 to 97.730, 97.810 to 97.920 and 97.990 or an employee of the nonlicensed individual performing similar activities.

(11) A nonlicensed individual who is a salaried employee of the State of Oregon, or any of its political subdivisions, engaging in professional real estate activity as a part of such employment.

(12) A nonlicensed individual who analyzes or provides advice regarding permissible land use alternatives, environmental impact, building and use permit procedures, development alternatives or demographic market studies or who performs development management, or a regular full-time employee of the nonlicensed individual performing similar activities. This exclusion does not apply to marketing, procuring prospects, leasing or the handling of transactional negotiations for transfer of an interest in real estate.

(13) An individual who is a hotelkeeper or innkeeper as defined by ORS 699.005 arranging the rental of transient lodging at a hotel or inn in the course of business as a hotelkeeper or innkeeper.

(14) A nonlicensed individual who is a travel agent arranging the rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a travel agent for compensation. For the purpose of this subsection, "travel agent" means a person, and employees of the person, regularly representing and selling travel services to the public directly or through other travel agents.

(15) A nonlicensed individual who is a common carrier arranging the rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a common carrier. For the purpose of this subsection, "common carrier" means a person that transports or purports to be willing to transport individuals from place to place by rail, motor vehicle, boat or

1 aircraft for hire, compensation or consideration.

2 (16) A nonlicensed individual who is a hotel representative arranging the
3 rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the
4 course of business as a hotel representative. For the purpose of this sub-
5 section, "hotel representative" means a person that provides reservations or
6 sale services to independent hotels, airlines, steamship companies and gov-
7 ernment tourist agencies.

8 (17) A nonlicensed individual transferring or acquiring an interest in real
9 estate owned or to be owned by the nonlicensed individual.

10 (18) A nonlicensed individual who is a general partner for a domestic or
11 foreign limited partnership duly registered and operating within this state
12 under ORS chapter 70 engaging in the sale of limited partnership interests
13 and the acquisition, sale, exchange, lease, transfer or management of the real
14 estate of the limited partnership.

15 (19) A nonlicensed individual who is a membership camping contract
16 broker or salesperson registered with the Real Estate Agency selling mem-
17 bership camping contracts.

18 (20) A nonlicensed individual who is a professional forester or farm
19 manager engaging in property management activity on forestland or
20 farmland when the activity is incidental to the nonreal estate duties involv-
21 ing overall management of forest or farm resources.

22 (21) A nonlicensed individual who is a registered investment adviser un-
23 der the Investment Advisers Act of 1940, 15 U.S.C. 80b-1 et seq., rendering
24 real estate investment services for the office of the State Treasurer or the
25 Oregon Investment Council.

26 (22) A nonlicensed individual who refers a new tenant for compensation
27 to a real estate licensee acting as the property manager for a residential
28 building or facility while the nonlicensed individual resides in the building
29 or facility or within six months after termination of the nonlicensed
30 individual's tenancy.

31 (23) A nonlicensed individual who gives an opinion in an administrative

or judicial proceeding regarding the value of real estate for taxation or re-presenting a taxpayer under ORS 305.239 or 309.100.

(24) A nonlicensed individual acting as a paid fiduciary whose real estate activity is limited to negotiating a contract to obtain the services of a real estate licensee.

(25) A nonlicensed individual who is acting as a fiduciary under a court order, without regard to whether the court order specifically authorizes real estate activity.

(26) A nonlicensed individual who is a representative of a financial institution or trust company, as those terms are defined in ORS 706.008, that is attorney in fact under a duly executed power of attorney from the owner or purchaser authorizing real estate activity, if the power of attorney is recorded in the office of the county clerk for the county in which the real estate to be sold, leased or exchanged is located.

(27) A nonlicensed individual who is a member of a domestic or foreign limited liability company duly registered and operating within this state under ORS chapter 63 **or sections 1 to 125 of this 2025 Act** and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the limited liability company if:

(a) The limited liability company is member-managed; or

(b) The limited liability company is manager-managed, and the nonlicensed individual is a manager.

(28) A nonlicensed individual who is a partner in a partnership as defined in ORS 67.005 and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the partnership.

(29) A nonlicensed individual who is an officer or director of a domestic or foreign corporation duly registered and operating within this state under ORS chapter 60 and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the corporation.

SECTION 220. ORS 696.030, as amended by section 219 of this 2025 Act, is amended to read:

696.030. ORS 696.010 to 696.375, 696.392, 696.395 to 696.430, 696.490, 696.600 to 696.785, 696.990 and 696.995 do not apply to:

(1)(a) A nonlicensed individual who is a full-time employee of an owner of real estate and whose real estate activity:

(A) Involves only the real estate of the employer; and

(B)(i) Is incidental to the employee's normal, nonreal estate activities; or

(ii) Is the employee's principal activity, but the employer's principal activity or business is not the sale, exchange, lease option or acquisition of real estate.

(b) For the purpose of this subsection, "owner of real estate" means:

(A) A person who has a sole ownership interest in the real estate; or

(B) More than one person, each of whom has an ownership interest in the real estate, if the ownership interest is by survivorship, tenancy in common or tenancy by the entirety.

(2) A nonlicensed individual who acts as attorney in fact under a duly executed power of attorney from the owner or purchaser authorizing the supervision of the closing of or supervision of the performance of a contract for the sale, leasing or exchanging of real estate if the power of attorney was executed prior to July 1, 2002, in compliance with the requirements of law at the time of execution or if:

(a) The power of attorney is recorded in the office of the recording officer for the county in which the real estate is located;

(b) The power of attorney specifically describes the real estate; and

(c) The nonlicensed individual does not use the power of attorney as a device to engage in professional real estate activity without obtaining the necessary real estate license.

(3) A nonlicensed individual who acts as attorney in fact under a duly executed power of attorney in which the authorized agent is the spouse of the principal, or the child, grandchild, parent, grandparent, sibling, aunt, uncle, niece or nephew of the principal or of the spouse of the principal, authorizing real estate activity if the power of attorney is recorded in the

office of the recording officer for the county in which the real estate to be sold, leased or exchanged is located.

(4) A nonlicensed individual who is an attorney at law rendering services in the performance of duties as an attorney at law.

(5) A nonlicensed individual who acts in the nonlicensed individual's official capacity as a receiver, a conservator, a trustee in bankruptcy, a personal representative or a trustee, or a regular salaried employee of the trustee, acting under a trust agreement, deed of trust or will.

(6) A nonlicensed individual who performs an act of professional real estate activity under order of a court.

(7) A nonlicensed individual who is a regular full-time employee of a single corporation, partnership, association, limited liability company or nonlicensed individual owner of real property acting for the corporation, partnership, association, limited liability company or nonlicensed individual owner in the rental or management of the real property, but not in the sale, exchange, lease option or purchase of the real property.

(8) A nonlicensed individual who is a registered professional engineer or architect rendering services in performance of duties as a professional engineer or architect.

(9) A nonlicensed individual who is employed by a principal real estate broker engaged in the management of rental real estate or by a licensed real estate property manager and who acts on behalf of the principal real estate broker or licensed real estate property manager pursuant to a written delegation of the principal real estate broker's or licensed real estate property manager's authority, as provided by the agency by rule, if the real estate activity of the nonlicensed individual is limited to:

- (a) Negotiating rental or lease agreements;
- (b) Checking tenant and credit references;
- (c) Physically maintaining the real estate;
- (d) Conducting tenant relations;
- (e) Collecting the rent;

(f) Supervising the premises' managers;

(g) Discussing financial matters relating to the management of the real estate with the owner; and

(h) Receiving and disbursing trust funds in a clients' trust account under ORS 696.241.

(10) A nonlicensed individual who sells or leases cemetery lots, parcels or units while engaged in the disposition of human bodies under ORS 97.010 to 97.040, 97.110 to 97.450, 97.510 to 97.730, 97.810 to 97.920 and 97.990 or an employee of the nonlicensed individual performing similar activities.

(11) A nonlicensed individual who is a salaried employee of the State of Oregon, or any of its political subdivisions, engaging in professional real estate activity as a part of such employment.

(12) A nonlicensed individual who analyzes or provides advice regarding permissible land use alternatives, environmental impact, building and use permit procedures, development alternatives or demographic market studies or who performs development management, or a regular full-time employee of the nonlicensed individual performing similar activities. This exclusion does not apply to marketing, procuring prospects, leasing or the handling of transactional negotiations for transfer of an interest in real estate.

(13) An individual who is a hotelkeeper or innkeeper as defined by ORS 699.005 arranging the rental of transient lodging at a hotel or inn in the course of business as a hotelkeeper or innkeeper.

(14) A nonlicensed individual who is a travel agent arranging the rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a travel agent for compensation. For the purpose of this subsection, "travel agent" means a person, and employees of the person, regularly representing and selling travel services to the public directly or through other travel agents.

(15) A nonlicensed individual who is a common carrier arranging the rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a common carrier. For the purpose of this subsection,

“common carrier” means a person that transports or purports to be willing to transport individuals from place to place by rail, motor vehicle, boat or aircraft for hire, compensation or consideration.

(16) A nonlicensed individual who is a hotel representative arranging the rental of transient lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a hotel representative. For the purpose of this subsection, “hotel representative” means a person that provides reservations or sale services to independent hotels, airlines, steamship companies and government tourist agencies.

(17) A nonlicensed individual transferring or acquiring an interest in real estate owned or to be owned by the nonlicensed individual.

(18) A nonlicensed individual who is a general partner for a domestic or foreign limited partnership duly registered and operating within this state under ORS chapter 70 engaging in the sale of limited partnership interests and the acquisition, sale, exchange, lease, transfer or management of the real estate of the limited partnership.

(19) A nonlicensed individual who is a membership camping contract broker or salesperson registered with the Real Estate Agency selling membership camping contracts.

(20) A nonlicensed individual who is a professional forester or farm manager engaging in property management activity on forestland or farmland when the activity is incidental to the nonreal estate duties involving overall management of forest or farm resources.

(21) A nonlicensed individual who is a registered investment adviser under the Investment Advisers Act of 1940, 15 U.S.C. 80b-1 et seq., rendering real estate investment services for the office of the State Treasurer or the Oregon Investment Council.

(22) A nonlicensed individual who refers a new tenant for compensation to a real estate licensee acting as the property manager for a residential building or facility while the nonlicensed individual resides in the building or facility or within six months after termination of the nonlicensed

individual's tenancy.

(23) A nonlicensed individual who gives an opinion in an administrative or judicial proceeding regarding the value of real estate for taxation or representing a taxpayer under ORS 305.239 or 309.100.

(24) A nonlicensed individual acting as a paid fiduciary whose real estate activity is limited to negotiating a contract to obtain the services of a real estate licensee.

(25) A nonlicensed individual who is acting as a fiduciary under a court order, without regard to whether the court order specifically authorizes real estate activity.

(26) A nonlicensed individual who is a representative of a financial institution or trust company, as those terms are defined in ORS 706.008, that is attorney in fact under a duly executed power of attorney from the owner or purchaser authorizing real estate activity, if the power of attorney is recorded in the office of the county clerk for the county in which the real estate to be sold, leased or exchanged is located.

(27) A nonlicensed individual who is a member of a domestic or foreign limited liability company duly registered and operating within this state under *[ORS chapter 63 or]* sections 1 to 125 of this 2025 Act and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the limited liability company if:

(a) The limited liability company is member-managed; or

(b) The limited liability company is manager-managed, and the nonlicensed individual is a manager.

(28) A nonlicensed individual who is a partner in a partnership as defined in ORS 67.005 and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the partnership.

(29) A nonlicensed individual who is an officer or director of a domestic or foreign corporation duly registered and operating within this state under ORS chapter 60 and who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate of the corporation.

1 **SECTION 221.** The amendments to ORS 696.030 by section 220 of this
2 **2025 Act become operative on January 1, 2028.**

3 **SECTION 222.** ORS 701.160 is amended to read:

4 701.160. Notwithstanding ORS 9.320:

5 (1) A party may appear or be represented by an individual who is not a
6 member of the Oregon State Bar in a proceeding before the Construction
7 Contractors Board if:

8 (a) The party is a corporation and the individual is an officer of the cor-
9 poration;

10 (b) The party is a partnership, or a limited liability partnership or foreign
11 limited liability partnership as those terms are defined in ORS 67.005, and
12 the individual is a partner in the partnership, limited liability partnership
13 or foreign limited liability partnership;

14 (c) The party is a limited partnership as defined in ORS 70.005 and the
15 individual is a general partner in the partnership;

16 (d) The party is a manager-managed limited liability company as defined
17 in ORS 63.001 **or section 2 of this 2025 Act** and the individual is a manager
18 of the company; or

19 (e) The party is a member-managed limited liability company as defined
20 in ORS 63.001 **or section 2 of this 2025 Act** and the individual is a member
21 of the company.

22 (2) In addition to parties described in subsection (1) of this section, the
23 board, by rule, may recognize particular business forms as parties that may
24 appear or be represented by an individual who is not a member of the Oregon
25 State Bar in a proceeding before the board. A board rule adopted under this
26 subsection must identify the business form of the party and specify the re-
27 quired relationship between the party and the individual. The board may al-
28 low appearance or representation of a party only by an individual who is a
29 director, officer, partner, trustee, manager or authorized regular employee
30 of the party.

31 **SECTION 223.** ORS 701.160, as amended by section 222 of this 2025 Act,

is amended to read:

701.160. Notwithstanding ORS 9.320:

(1) A party may appear or be represented by an individual who is not a member of the Oregon State Bar in a proceeding before the Construction Contractors Board if:

(a) The party is a corporation and the individual is an officer of the corporation;

(b) The party is a partnership, or a limited liability partnership or foreign limited liability partnership as those terms are defined in ORS 67.005, and the individual is a partner in the partnership, limited liability partnership or foreign limited liability partnership;

(c) The party is a limited partnership as defined in ORS 70.005 and the individual is a general partner in the partnership;

(d) The party is a manager-managed limited liability company as defined in [ORS 63.001 or] section 2 of this 2025 Act and the individual is a manager of the company; or

(e) The party is a member-managed limited liability company as defined in [ORS 63.001 or] section 2 of this 2025 Act and the individual is a member of the company.

(2) In addition to parties described in subsection (1) of this section, the board, by rule, may recognize particular business forms as parties that may appear or be represented by an individual who is not a member of the Oregon State Bar in a proceeding before the board. A board rule adopted under this subsection must identify the business form of the party and specify the required relationship between the party and the individual. The board may allow appearance or representation of a party only by an individual who is a director, officer, partner, trustee, manager or authorized regular employee of the party.

SECTION 224. The amendments to ORS 701.160 by section 223 of this 2025 Act become operative on January 1, 2028.

SECTION 225. ORS 707.007 is amended to read:

707.007. (1) As an alternative to being organized as a corporation under this chapter, an Oregon bank may be organized as a limited liability company.

(2) With respect to any Oregon bank that is organized as a limited liability company, as used in the Bank Act:

(a) “Articles of incorporation” means the Oregon bank’s articles of organization, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(b) “Bylaws” means the Oregon bank’s operating agreement, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(c) “Certificate of incorporation” means a certificate of organization issued to the Oregon bank **or, as appropriate, articles of organization issued to the Oregon bank.**

(d) “Corporation,” means a limited liability company, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(e) “Director,” “directors” or “board of directors” means the Oregon bank’s manager or managers, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(f) “Dividends” means distributions, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act**, declared or paid by the Oregon bank.

(g) “Incorporator” means the Oregon bank’s organizer, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(h) “Share” or “stock” means a membership interest in the Oregon bank, as defined in ORS 63.001 **or, as appropriate, an interest that a person has as a member, as defined in section 2 of this 2025 Act, of the Oregon bank.**

(i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon bank’s member or members, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

(3) An Oregon bank organized as a limited liability company shall be or-

ganized under the authority of the Director of the Department of Consumer and Business Services under this chapter. Except as set forth in subsection (4) of this section, with respect to all other aspects of its operation and existence, an Oregon bank that is organized as a limited liability company is subject to the provisions of ORS chapter 63 **or, as appropriate, to the provisions of sections 1 to 125 of this 2025 Act**, to the extent that ORS chapter 63 *[does]* **or, as appropriate, sections 1 to 125 of this 2025 Act** do not conflict with the Bank Act. In the event of any conflict between the Bank Act and ORS chapter 63 **or sections 1 to 125 of this 2025 Act**, the Bank Act controls.

(4)(a) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act**, the articles of organization of an Oregon bank that is organized as a limited liability company shall:

(A) State that the existence of the Oregon bank is perpetual; and

(B) Provide that the Oregon bank is to be managed by a board of not fewer than five managers.

(b) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act**, an Oregon bank that is organized as a limited liability company shall be managed exclusively by its board of managers in substantially the same manner as an Oregon bank that is organized as a corporation is managed by its board of directors. The board of managers of an Oregon bank that is organized as a limited liability company has substantially the same rights, powers, privileges, duties and responsibilities as the board of directors of an Oregon bank that is organized as a corporation and is subject to the provisions of this chapter pertaining to directors.

(c) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act**, membership interests in an Oregon bank that is organized as a limited liability company are freely transferable, and consent of the Oregon bank or its members or managers is not required for a person to acquire or transfer a membership interest in the Oregon bank. Immediately upon the completion of the transfer of the membership interest to a

person, the person becomes a member and has all the rights of a member.

(d) ORS 63.621 (2) to (4) **and section 58 (1)(a) to (c) of this 2025 Act** do not apply to an Oregon bank organized as a limited liability company.

(5) The articles of organization of an Oregon bank that is organized as a limited liability company shall require that liquidation of the Oregon bank conform with the requirements of the Bank Act.

(6) An Oregon bank that is organized as a limited liability company shall have the officers described in ORS 707.700. The officers shall be elected by the board of managers of the Oregon bank and are subject to the provisions of this chapter.

(7) Each Oregon bank that is organized as a limited liability company shall have a written operating agreement containing any provisions for the affairs of the Oregon bank as may be agreed upon by its members and that are consistent with the Bank Act.

(8) Any number of persons, not fewer than five, may act as organizers of an Oregon bank that is organized as a limited liability company.

SECTION 226. ORS 707.007, as amended by section 225 of this 2025 Act, is amended to read:

707.007. (1) As an alternative to being organized as a corporation under this chapter, an Oregon bank may be organized as a limited liability company.

(2) With respect to any Oregon bank that is organized as a limited liability company, as used in the Bank Act:

(a) “Articles of incorporation” means the Oregon bank’s articles of organization, as defined in [*ORS 63.001 or, as appropriate, in*] section 2 of this 2025 Act.

(b) “Bylaws” means the Oregon bank’s operating agreement, as defined in [*ORS 63.001 or, as appropriate, in*] section 2 of this 2025 Act.

(c) “Certificate of incorporation” means a certificate of organization issued to the Oregon bank.

(d) “Corporation,” means a limited liability company, as defined in [*ORS*

63.001 or, as appropriate, in] section 2 of this 2025 Act.

(e) “Director,” “directors” or “board of directors” means the Oregon bank’s manager or managers, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(f) “Dividends” means distributions, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act, declared or paid by the Oregon bank.

(g) “Incorporator” means the Oregon bank’s organizer, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(h) “Share” or “stock” means a membership interest in the Oregon bank[, as defined in ORS 63.001 or, as appropriate, an interest] that a person has as a member, as defined in section 2 of this 2025 Act, of the Oregon bank.

(i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon bank’s member or members, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(3) An Oregon bank organized as a limited liability company shall be organized under the authority of the Director of the Department of Consumer and Business Services under this chapter. Except as set forth in subsection (4) of this section, with respect to all other aspects of its operation and existence, an Oregon bank that is organized as a limited liability company is subject to the provisions of [ORS chapter 63 or, as appropriate, to the provisions of] sections 1 to 125 of this 2025 Act, to the extent that [ORS chapter 63 or, as appropriate,] sections 1 to 125 of this 2025 Act do not conflict with the Bank Act. In the event of any conflict between the Bank Act and [ORS chapter 63 or] sections 1 to 125 of this 2025 Act, the Bank Act controls.

(4)(a) Notwithstanding any provision of [ORS chapter 63 or] sections 1 to 125 of this 2025 Act, the articles of organization of an Oregon bank that is organized as a limited liability company shall:

(A) State that the existence of the Oregon bank is perpetual; and

(B) Provide that the Oregon bank is to be managed by a board of not fewer than five managers.

(b) Notwithstanding any provision of [ORS chapter 63 or] sections 1 to

1 125 of this 2025 Act, an Oregon bank that is organized as a limited liability
2 company shall be managed exclusively by its board of managers in substan-
3 tially the same manner as an Oregon bank that is organized as a corporation
4 is managed by its board of directors. The board of managers of an Oregon
5 bank that is organized as a limited liability company has substantially the
6 same rights, powers, privileges, duties and responsibilities as the board of
7 directors of an Oregon bank that is organized as a corporation and is subject
8 to the provisions of this chapter pertaining to directors.

9 (c) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to
10 125 of this 2025 Act, membership interests in an Oregon bank that is organ-
11 ized as a limited liability company are freely transferable, and consent of the
12 Oregon bank or its members or managers is not required for a person to
13 acquire or transfer a membership interest in the Oregon bank. Immediately
14 upon the completion of the transfer of the membership interest to a person,
15 the person becomes a member and has all the rights of a member.

16 (d) [*ORS 63.621 (2) to (4) and*] Section 58 (1)(a) to (c) of this 2025 Act
17 [*do*] **does** not apply to an Oregon bank organized as a limited liability com-
18 pany.

19 (5) The articles of organization of an Oregon bank that is organized as
20 a limited liability company shall require that liquidation of the Oregon bank
21 conform with the requirements of the Bank Act.

22 (6) An Oregon bank that is organized as a limited liability company shall
23 have the officers described in ORS 707.700. The officers shall be elected by
24 the board of managers of the Oregon bank and are subject to the provisions
25 of this chapter.

26 (7) Each Oregon bank that is organized as a limited liability company
27 shall have a written operating agreement containing any provisions for the
28 affairs of the Oregon bank as may be agreed upon by its members and that
29 are consistent with the Bank Act.

30 (8) Any number of persons, not fewer than five, may act as organizers of
31 an Oregon bank that is organized as a limited liability company.

1 **SECTION 227. The amendments to ORS 707.007 by section 226 of this**
2 **2025 Act become operative on January 1, 2028.**

3 **SECTION 228.** ORS 709.015 is amended to read:

4 709.015. (1) As an alternative to being organized as a corporation pursuant
5 to the provisions of ORS chapter 707 and this chapter, an Oregon trust
6 company may be organized as a limited liability company.

7 (2) With respect to any Oregon trust company that is organized as a
8 limited liability company, as used in the Bank Act:

9 (a) “Articles of incorporation” means the Oregon trust company’s articles
10 of organization, as defined in ORS 63.001 **or, as appropriate, in section 2**
11 **of this 2025 Act.**

12 (b) “Bylaws” means the Oregon trust company’s operating agreement, as
13 defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

14 (c) “Certificate of incorporation” means a certificate of organization is-
15 sued to the Oregon trust company.

16 (d) “Corporation” means a limited liability company, as defined in ORS
17 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

18 (e) “Director,” “directors” or “board of directors” means the Oregon trust
19 company’s manager or managers, as defined in ORS 63.001 **or, as appropri-**
20 **ate, in section 2 of this 2025 Act.**

21 (f) “Dividends” means distributions, as defined in ORS 63.001 **or, as ap-**
22 **propriate, in section 2 of this 2025 Act,** declared or paid by the Oregon
23 trust company.

24 (g) “Incorporator” means the Oregon trust company’s organizer, as de-
25 fined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

26 (h) “Share” or “stock” means a membership interest in the Oregon trust
27 company, as defined in ORS 63.001 **or, if appropriate, an interest that a**
28 **person has as a member, as defined in section 2 of this 2025 Act, of the**
29 **Oregon trust company.**

30 (i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means
31 the Oregon trust company’s member or members, as defined in ORS 63.001

1 **or, as appropriate, in section 2 of this 2025 Act.**

2 (3) An Oregon trust company organized as a limited liability company
3 shall be organized under the authority of the Director of the Department of
4 Consumer and Business Services under this chapter and ORS chapter 707.
5 Except as set forth in subsection (4) of this section, with respect to all other
6 aspects of its operation and existence, an Oregon trust company that is or-
7 ganized as a limited liability company is subject to the provisions of ORS
8 chapter 63 **or, as appropriate, to the provisions of sections 1 to 125 of**
9 **this 2025 Act**, to the extent that ORS chapter 63 *[does]* **or, as appropriate,**
10 **sections 1 to 125 of this 2025 Act** do not conflict with the Bank Act. In the
11 event of any conflict between the Bank Act and ORS chapter 63 **or sections**
12 **1 to 125 of this 2025 Act**, the Bank Act controls.

13 (4)(a) Notwithstanding any provision of ORS chapter 63 **or sections 1 to**
14 **125 of this 2025 Act**, the articles of organization of an Oregon trust company
15 that is organized as a limited liability company shall:

16 (A) State that the existence of the Oregon trust company is perpetual; and

17 (B) Provide that the Oregon trust company is to be managed by a board
18 of not fewer than five managers.

19 (b) Notwithstanding any provision of ORS chapter 63 **or sections 1 to**
20 **125 of this 2025 Act**, an Oregon trust company that is organized as a limited
21 liability company shall be managed exclusively by its board of managers in
22 substantially the same manner as an Oregon trust company that is organized
23 as a corporation is managed by its board of directors. The board of managers
24 of an Oregon trust company that is organized as a limited liability company
25 has substantially the same rights, powers, privileges, duties and responsibil-
26 ities as the board of directors of an Oregon trust company that is organized
27 as a corporation and is subject to the provisions of ORS chapter 707 and this
28 chapter pertaining to directors.

29 (c) Notwithstanding any provision of ORS chapter 63 **or sections 1 to**
30 **125 of this 2025 Act**, membership interests in an Oregon trust company that
31 is organized as a limited liability company are freely transferable, and con-

1 sent of the Oregon trust company or its members or managers is not required
2 for a person to acquire or transfer a membership interest in the Oregon trust
3 company. Immediately upon the completion of the transfer of the membership
4 interest to a person, the person becomes a member, and has all the rights
5 of a member.

6 (d) ORS 63.621 (2) to (4) **and section 58 (1)(a) to (c) of this 2025 Act**
7 do not apply to an Oregon trust company organized as a limited liability
8 company.

9 (5) The articles of organization of an Oregon trust company that is or-
10 ganized as a limited liability company shall require that liquidation of the
11 Oregon trust company conform with the requirements of the Bank Act.

12 (6) An Oregon trust company that is organized as a limited liability
13 company shall have the officers described in ORS 707.700. The officers shall
14 be elected by the board of managers of the Oregon trust company and shall
15 be subject to the provisions of this chapter and ORS chapter 707.

16 (7) Each Oregon trust company that is organized as a limited liability
17 company shall have a written operating agreement containing any provisions
18 for the affairs of the Oregon trust company as may be agreed upon by its
19 members and that are consistent with the Bank Act.

20 (8) Any number of persons, not fewer than five, may act as organizers of
21 an Oregon trust company that is organized as a limited liability company.

22 **SECTION 229.** ORS 709.015, as amended by section 228 of this 2025 Act,
23 is amended to read:

24 709.015. (1) As an alternative to being organized as a corporation pursuant
25 to the provisions of ORS chapter 707 and this chapter, an Oregon trust
26 company may be organized as a limited liability company.

27 (2) With respect to any Oregon trust company that is organized as a
28 limited liability company, as used in the Bank Act:

29 (a) “Articles of incorporation” means the Oregon trust company’s articles
30 of organization, as defined in [*ORS 63.001 or, as appropriate, in*] section 2
31 of this 2025 Act.

(b) “Bylaws” means the Oregon trust company’s operating agreement, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(c) “Certificate of incorporation” means a certificate of organization issued to the Oregon trust company.

(d) “Corporation” means a limited liability company, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(e) “Director,” “directors” or “board of directors” means the Oregon trust company’s manager or managers, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(f) “Dividends” means distributions, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act, declared or paid by the Oregon trust company.

(g) “Incorporator” means the Oregon trust company’s organizer, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(h) “Share” or “stock” means a membership interest in the Oregon trust company[, as defined in ORS 63.001 or, if appropriate, an interest] that a person has as a member, as defined in section 2 of this 2025 Act, of the Oregon trust company.

(i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon trust company’s member or members, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

(3) An Oregon trust company organized as a limited liability company shall be organized under the authority of the Director of the Department of Consumer and Business Services under this chapter and ORS chapter 707. Except as set forth in subsection (4) of this section, with respect to all other aspects of its operation and existence, an Oregon trust company that is organized as a limited liability company is subject to the provisions of [ORS chapter 63 or, as appropriate, to the provisions of] sections 1 to 125 of this 2025 Act, to the extent that [ORS chapter 63 or, as appropriate,] sections 1 to 125 of this 2025 Act do not conflict with the Bank Act. In the event of any conflict between the Bank Act and [ORS chapter 63 or] sections 1 to 125

of this 2025 Act, the Bank Act controls.

(4)(a) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act, the articles of organization of an Oregon trust company that is organized as a limited liability company shall:

(A) State that the existence of the Oregon trust company is perpetual; and

(B) Provide that the Oregon trust company is to be managed by a board of not fewer than five managers.

(b) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act, an Oregon trust company that is organized as a limited liability company shall be managed exclusively by its board of managers in substantially the same manner as an Oregon trust company that is organized as a corporation is managed by its board of directors. The board of managers of an Oregon trust company that is organized as a limited liability company has substantially the same rights, powers, privileges, duties and responsibilities as the board of directors of an Oregon trust company that is organized as a corporation and is subject to the provisions of ORS chapter 707 and this chapter pertaining to directors.

(c) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act, membership interests in an Oregon trust company that is organized as a limited liability company are freely transferable, and consent of the Oregon trust company or its members or managers is not required for a person to acquire or transfer a membership interest in the Oregon trust company. Immediately upon the completion of the transfer of the membership interest to a person, the person becomes a member, and has all the rights of a member.

(d) [*ORS 63.621 (2) to (4) and*] Section 58 (1)(a) to (c) of this 2025 Act [*do*] **does** not apply to an Oregon trust company organized as a limited liability company.

(5) The articles of organization of an Oregon trust company that is organized as a limited liability company shall require that liquidation of the Oregon trust company conform with the requirements of the Bank Act.

(6) An Oregon trust company that is organized as a limited liability company shall have the officers described in ORS 707.700. The officers shall be elected by the board of managers of the Oregon trust company and shall be subject to the provisions of this chapter and ORS chapter 707.

(7) Each Oregon trust company that is organized as a limited liability company shall have a written operating agreement containing any provisions for the affairs of the Oregon trust company as may be agreed upon by its members and that are consistent with the Bank Act.

(8) Any number of persons, not fewer than five, may act as organizers of an Oregon trust company that is organized as a limited liability company.

SECTION 230. The amendments to ORS 709.015 by section 229 of this 2025 Act become operative on January 1, 2028.

SECTION 231. ORS 713.140 is amended to read:

713.140. (1) To procure a certificate of authority to conduct banking business in this state, an out-of-state bank or extranational institution shall apply to the Director of the Department of Consumer and Business Services. The application must state:

(a) The name, in accordance with the provisions of ORS 713.130.

(b) The state or country under the laws of which the out-of-state bank or extranational institution is organized.

(c) The date of organization.

(d) The period of duration of the out-of-state bank or extranational institution, if the duration is not perpetual.

(e) A mailing address to which the director may send notices.

(f) The address of the main office of the out-of-state bank or extranational institution in the state or country under the laws of which the out-of-state bank or extranational institution is organized.

(g) The name of the proposed registered agent and the street address in this state of the proposed registered office that will receive service of process for the out-of-state bank or extranational institution.

(h) The names and addresses of the president and secretary of the out-of-

state bank or extranational institution.

(i) Additional information that the director by rule requires.

(2) The director may prescribe and furnish forms for the application. The president or a vice president and secretary or an assistant secretary of the out-of-state bank or extranational institution shall sign the application.

(3) The out-of-state bank or extranational institution shall also take the steps necessary to become authorized to transact business:

(a) If a corporation, as a foreign corporation under ORS chapter 60;

(b) If a limited partnership, as a foreign limited partnership under ORS chapter 70;

(c) If a limited liability company, as a foreign limited liability company under ORS chapter 63 **or sections 1 to 125 of this 2025 Act**; or

(d) If a business trust, as a business trust under ORS 128.560 to 128.600.

(4) If the out-of-state bank is an unincorporated company, partnership or association, the out-of-state bank shall register the out-of-state bank's name as an assumed business name as provided in ORS chapter 648.

SECTION 232. ORS 713.140, as amended by section 231 of this 2025 Act, is amended to read:

713.140. (1) To procure a certificate of authority to conduct banking business in this state, an out-of-state bank or extranational institution shall apply to the Director of the Department of Consumer and Business Services. The application must state:

(a) The name, in accordance with the provisions of ORS 713.130.

(b) The state or country under the laws of which the out-of-state bank or extranational institution is organized.

(c) The date of organization.

(d) The period of duration of the out-of-state bank or extranational institution, if the duration is not perpetual.

(e) A mailing address to which the director may send notices.

(f) The address of the main office of the out-of-state bank or extranational institution in the state or country under the laws of which the out-of-state

bank or extranational institution is organized.

(g) The name of the proposed registered agent and the street address in this state of the proposed registered office that will receive service of process for the out-of-state bank or extranational institution.

(h) The names and addresses of the president and secretary of the out-of-state bank or extranational institution.

(i) Additional information that the director by rule requires.

(2) The director may prescribe and furnish forms for the application. The president or a vice president and secretary or an assistant secretary of the out-of-state bank or extranational institution shall sign the application.

(3) The out-of-state bank or extranational institution shall also take the steps necessary to become authorized to transact business:

(a) If a corporation, as a foreign corporation under ORS chapter 60;

(b) If a limited partnership, as a foreign limited partnership under ORS chapter 70;

(c) If a limited liability company, as a foreign limited liability company under [ORS chapter 63 or] sections 1 to 125 of this 2025 Act; or

(d) If a business trust, as a business trust under ORS 128.560 to 128.600.

(4) If the out-of-state bank is an unincorporated company, partnership or association, the out-of-state bank shall register the out-of-state bank's name as an assumed business name as provided in ORS chapter 648.

SECTION 233. The amendments to ORS 713.140 by section 232 of this 2025 Act become operative on January 1, 2028.

SECTION 234. ORS 713.200 is amended to read:

713.200. (1) An out-of-state bank or extranational institution that has a certificate of authority to conduct banking business in this state shall deliver copies of documents that the out-of-state bank or extranational institution filed with the Secretary of State pursuant to ORS chapters 60, 63, 70 and 648 and ORS 128.560 to 128.600 **and sections 1 to 125 of this 2025 Act** to the Director of the Department of Consumer and Business Services promptly after filing the documents with the Secretary of State.

(2) If an out-of-state bank or an extranational institution that has a certificate of authority to conduct banking business in this state changes the out-of-state bank's or extranational institution's name or duration, the out-of-state bank or extranational institution shall apply to the director to amend the certificate of authority.

(3) The requirements for signing and submitting the application described in subsection (2) of this section to the director and that prescribe the form and contents of the application are the same as in the case of an original application for a certificate of authority under ORS 713.140. Filing the application for the amended certificate of authority by the director has the same legal effect as filing the original certificate of authority.

SECTION 235. ORS 713.200, as amended by section 234 of this 2025 Act, is amended to read:

713.200. (1) An out-of-state bank or extranational institution that has a certificate of authority to conduct banking business in this state shall deliver copies of documents that the out-of-state bank or extranational institution filed with the Secretary of State pursuant to ORS chapters 60, [63,] 70 and 648 and ORS 128.560 to 128.600 and sections 1 to 125 of this 2025 Act to the Director of the Department of Consumer and Business Services promptly after filing the documents with the Secretary of State.

(2) If an out-of-state bank or an extranational institution that has a certificate of authority to conduct banking business in this state changes the out-of-state bank's or extranational institution's name or duration, the out-of-state bank or extranational institution shall apply to the director to amend the certificate of authority.

(3) The requirements for signing and submitting the application described in subsection (2) of this section to the director and that prescribe the form and contents of the application are the same as in the case of an original application for a certificate of authority under ORS 713.140. Filing the application for the amended certificate of authority by the director has the same legal effect as filing the original certificate of authority.

SECTION 236. The amendments to ORS 713.200 by section 235 of this 2025 Act become operative on January 1, 2028.

SECTION 237. ORS 726.050 is amended to read:

726.050. The Director of the Department of Consumer and Business Services may not issue a license to a corporation, limited liability company or limited liability partnership or to a person using an assumed business name unless:

(1) The limited liability company or limited liability partnership has filed the required documents under ORS chapter 63 or 67 **or sections 1 to 125 of this 2025 Act;**

(2) The person using the assumed business name has registered the name under ORS chapter 648; or

(3) The corporation is an Oregon corporation in good standing or a foreign corporation legally qualified to do business in this state.

SECTION 238. ORS 726.050, as amended by section 237 of this 2025 Act, is amended to read:

726.050. The Director of the Department of Consumer and Business Services may not issue a license to a corporation, limited liability company or limited liability partnership or to a person using an assumed business name unless:

(1) The limited liability company or limited liability partnership has filed the required documents under ORS chapter [63 or] 67 or sections 1 to 125 of this 2025 Act;

(2) The person using the assumed business name has registered the name under ORS chapter 648; or

(3) The corporation is an Oregon corporation in good standing or a foreign corporation legally qualified to do business in this state.

SECTION 239. The amendments to ORS 726.050 by section 238 of this 2025 Act become operative on January 1, 2028.

CAPTIONS

SECTION 240. The unit and section captions and leadlines used in this 2025 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2025 Act.

REPEAL OF ORS CHAPTER 63

SECTION 241. ORS 63.001, 63.002, 63.004, 63.007, 63.011, 63.014, 63.016, 63.017, 63.021, 63.024, 63.027, 63.031, 63.032, 63.034, 63.044, 63.047, 63.051, 63.054, 63.057, 63.074, 63.077, 63.094, 63.097, 63.101, 63.111, 63.114, 63.117, 63.121, 63.130, 63.140, 63.155, 63.160, 63.165, 63.170, 63.175, 63.180, 63.185, 63.195, 63.200, 63.205, 63.209, 63.219, 63.225, 63.229, 63.235, 63.239, 63.245, 63.249, 63.255, 63.259, 63.265, 63.431, 63.434, 63.437, 63.441, 63.444, 63.467, 63.470, 63.473, 63.476, 63.479, 63.481, 63.487, 63.494, 63.497, 63.621, 63.625, 63.629, 63.631, 63.637, 63.641, 63.644, 63.645, 63.647, 63.651, 63.654, 63.657, 63.661, 63.664, 63.671, 63.674, 63.701, 63.704, 63.707, 63.711, 63.714, 63.717, 63.721, 63.724, 63.727, 63.731, 63.734, 63.737, 63.741, 63.744, 63.747, 63.771, 63.777, 63.781, 63.784, 63.787, 63.801, 63.810, 63.951, 63.955, 63.960, 63.965, 63.990 and 63.992 are repealed on January 1, 2028.