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Original Date: October 20, 2006
Subject: Corporations Ordinance

CORPORATIONS ORDINANCE

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CHAPTER A: GENERAL

§ 15.300 DEFINITIONS

(a) As used in this Chapter, the following terms shall have the following respective meanings:

- (1) Articles of Incorporation means the original or restated articles of incorporation or articles of consolidation and all amendments thereto, including articles of merger.
- (2) Authorized Shares means the shares of all classes, which the corporation is authorized, to issue.
- (3) Capital Surplus means the portions of the surplus of a corporation equal to the balance of its net profits, income, gains and losses from the date of incorporation, or from the latest date when a deficit was eliminated by an application of its capital surplus or stated capital or otherwise, after deducting subsequent distributions to shareholders and transfer to stated capital and capital surplus to the extent such distribution and transfers are made out of earned surplus.
- (4) Corporation or Domestic Corporation means a corporation for profit organized under subchapter B of this Chapter.
- (5) Earned Surplus means the portions of the surplus of a corporation equal to the balance of its net profits, income, gains and losses from the date of incorporation, or from the latest date when a deficit was eliminated by an application of its capital surplus or stated capital or otherwise, after deducting subsequent distributions

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to shareholders and transfer to stated capital and capital surplus to the extent such distribution and transfers are made out of earned surplus.

- (6) Employee includes persons who work for the corporation in exchange for some form of compensation, and which includes officers, but not directors. However, if a director accepts additional duties in exchange for compensation, then that also makes him an employee.
- (7) Insolvent means inability of a corporation to pay its debts as they become due in the usual course of its business.
- (8) Legal Department means the legal department of the Confederated Tribes of Siletz Indians of Oregon.
- (9) Net Assets means the total assets of a corporation is authorized to issue.
- (10) Shareholder means one who is a holder of record or shares in a corporation.
- (11) Shares means the units into which the proprietary interests in a corporation are divided.
- (12) Siletz Tribal lands means any land to which title is held by the United States in trust for the Tribe; lands of any Tribal member or groups of Tribal members which is subject to a restriction by the United States against alienation; and any land owned by the Tribe.
- (13) Stated Capital means, at any particular time, the sum of:
 - (A) The par value of all shares that have been issued; and
 - (B) Such amounts not included in clause (A) of this subsection as have been transferred to stated capital of the corporation, whether upon the issue of shares as a share dividend or otherwise, minus all reductions from such sums as have been affected in a manner permitted by law.
- (14) Subscriber means one who subscribes for shares in a corporation, whether before or after incorporation.

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- (15) Surplus means the excess of the net assets of a corporation over its stated capital.

§ 15.301 TAXATION

All activities of corporations created under this Chapter shall be subject to taxation by the CTSI pursuant to duly enacted tribal resolution, ordinances, and Codes.

CHAPTER B: CORPORATIONS OR DOMESTIC CORPORATIONS

§ 15.302 PURPOSES

Corporations may be organized under this subchapter for any lawful purpose or purposes, except for the purpose of banking or insurance.

§ 15.303 GENERAL POWERS

- (a) Each corporation shall have the power:
- (1) To have perpetual succession by its corporate name unless a limited period of duration is stated in its articles of incorporation;
 - (2) To sue and be sued, complain and defend, in its corporate name;
 - (3) To have a corporate seal which may be altered at pleasure, and use the same by causing it, or a facsimile thereof, to be impressed or affixed in any other manner reproduced;
 - (4) To purchase, take, receive, lease, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with, real or personal property, or any interest therein, wherever situated, provided decisions regarding the trust status of any real property shall be subject to the approval of the Siletz Tribal Council;
 - (5) To sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets, subject to the trust status of the real property;
 - (6) To lend money and otherwise use its credit to assist its employees;
 - (7) To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with,

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shares or other interests in, obligations of corporations (whether or not incorporated under this Chapter), associations, partnerships, or individuals, or direct or indirect obligation of the United States, or of any other government, state, territory, governmental district, or municipality or of any instrumentality thereof, or of any Indian tribe;

- (8) To make contracts and guarantees and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property, franchise and income;
- (9) To lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;
- (10) To conduct its business, carry on its operations, and have offices and exercise the powers granted by this Chapter within or without Siletz Tribal lands;
- (11) To elect or appoint officers and agents of the corporation, and define their duties and fix their compensation;
- (12) To make and alter by-laws, not inconsistent with its Articles of Incorporation or with this Chapter or any other law, ordinance, or regulations of the CTSI for the administration and regulation of the affairs of the corporation;
- (13) To make donations for the public welfare or for charitable, scientific, or educational purposes;
- (14) To pay pensions and establish pension plans, pension trusts, profit sharing plans, stock bonus plans, stock option plans, and other incentive plans for any or all of its directors, officers, and employees;
- (15) To be a promoter, partner, member, associate, or manager of any partnership, joint venture, trust or other enterprise; and
- (16) To have and exercise all powers necessary or convenient to effect its purpose.

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§ 15.304 DEFENSE OF ULTRA VIRES

(a) No act of a corporation and no conveyance or transfer of real or personal property to or by a corporation shall be invalid by reason of the fact that the corporation was without capacity or power to do such act or to make or receive such conveyance or transfer, but such lack of capacity or power may be asserted:

- (1) In a proceeding by a shareholder against the corporation to enjoin the doing of any act, or the transfer of real or personal property by or to the corporation. If the unauthorized act or transfer sought to be enjoined is being, or is to be, performed or made pursuant to a contract to which the corporation is a party, the court may, if all of the parties to the contract are parties to the proceeding and if it deems the same to be equitable, set aside and enjoin the performance of such contract, and in doing so may allow to the corporation or to the other parties to the contract, as the case may be, compensation for the loss or damages sustained by either of them which may result from the action of the court in setting aside and enjoining the performance of such contract, but anticipated profits to be derived from the performance of the contract shall not be awarded by the court as a loss or damages sustained.
- (2) In a proceeding by the corporation, whether acting directly or through a receiver, trustee, or other legal representative, or through share holders in a representative suit, against the incumbent or former officers or directors of the corporation; and
- (3) In a proceeding by the Legal Department as provided in this Chapter, to dissolve the corporation, or by the Legal Department to enjoin the corporation from the transaction of an authorized business.

§ 15.305 CORPORATE NAME

- (a) The corporate name:
- (1) Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation; and
 - (2) Shall not be the same as, or deceptively similar to the name of any corporation, existing under this Chapter or any other entity authorized to transact business on Siletz tribal lands.

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§ 15.306 REGISTERED OFFICE AND REGISTERED AGENT

(a) Each corporation shall have and continuously maintain within the Siletz 11 County service area:

- (1) A registered office; or
- (2) A registered agent.

§ 15.307 SERVICE OF PROCESS ON CORPORATIONS

(a) The registered agent appointed by a corporation shall be an agent of such corporation upon whom any process, notice or demand required or permitted by law to be served upon the corporation, may be served.

(b) Whenever a corporation shall fail to appoint or maintain a registered agent within the Siletz 11 County Service area, or whenever its registered agent cannot, with reasonable diligence, be found at the registered office, then the Legal Department shall be an agent of such corporation upon whom any such process, notice, or demand shall be served.

(c) Service on the Legal Department of any such process, notice, or demand shall be made by delivering to and leaving with him, or with any clerk having charge of the department or office, duplicate copies of such process, notice or demand. In the event that any such process, notice or demand is served on the Legal Department, the department shall immediately cause one of such copies thereof to be forwarded by registered or certified mail, addressed to the corporation at its registered office. Any service so had on the Legal Department shall be returnable in not less than thirty (30) days.

(d) The Legal Department shall keep a record of all processes, notices, and demands served upon them under this Section, and shall record therein the time of such service and their action with reference thereto.

(e) Nothing contained herein shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law.

§ 15.308 AUTHORIZED SHARES

Each corporation shall have power to create and issue the number of shares stated in its articles of incorporation. Such shares shall be of only one class and shall be shares with par value.

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§ 15.309 CONSIDERATION FOR SHARES

Shares may be issued for such consideration expressed in dollars, not less than the par value thereof, as shall be fixed from time to time by the Board of Directors.

§ 15.310 PAYMENT OF SHARES

(a) The consideration for the issuance of shares may be paid, in whole or in part, in money, in other property, tangible or intangible, or in labor or services actually performed for the corporation; such shares shall be deemed to be fully paid and non-assessable.

(b) Neither promissory notes nor future services shall constitute payment or part-payment for the issuance of shares of a corporation.

(c) In the absence of fraud in the transaction, the judgment of the Board of Directors of the shareholders, as the case may be, as to the value of the consideration received for share will be conclusive.

§ 15.311 DETERMINATION OF AMOUNT OF STATED CAPITAL

The consideration received for shares shall constitute stated capital to the extent of the par value of such shares, and the excess, if any, of such consideration shall constitute capital surplus.

§ 15.312 CERTIFICATE REPRESENTING SHARES

(a) The shares of a corporation shall be represented by certificates signed by the President or Vice-President and the Secretary or an Assistant Secretary of the corporation, and may be sealed with the seal of the corporation or a facsimile thereof.

(b) Each certificate representing shares shall state upon the face thereof:

- (1) That the corporation is organized under the Corporations Chapter of the CTSI Commercial Code;
- (2) The name of the person to whom issued;
- (3) The number of shares, which such certificate represents; and
- (4) The par value of each share represented by such certificate.

(c) No certificate shall be issued for any share until such share is fully paid.

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§ 15.313 BY-LAWS

The Board of Directors shall adopt the corporation's initial by-laws. The power to alter, amend, or repeal the by-laws or adopt new by-laws, subject to repeal or change by action of the shareholders, shall be vested in the Board of Directors. The by-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with this Chapter or the articles of incorporation.

§ 15.314 MEETINGS OF SHAREHOLDERS

(a) Meetings of shareholders may be held at such place on Siletz tribal lands or other location as may be stated in, or fixed in accordance with the by-laws. If no other place is stated in or so fixed, meetings shall be held at the registered office of the corporation.

(b) An annual meeting of shareholders shall be held at such time as may be stated in or fixed in accordance with the by-laws. If the annual meeting is not held within any thirteen (13) month period, the Siletz Tribal Court may, on the application of any shareholder, summarily order a meeting to be held.

(c) Special meetings of the shareholders may be called by the Board of Directors, the holders of not less than one-tenth (1/10) of all the shares entitled to vote at the meeting, or such other persons as may be authorized in the articles of incorporation or the by-laws.

§ 15.315 NOTICE OF SHAREHOLDER'S MEETINGS

Written notice stating the place, day and hour of the meeting, and, in case of a special meeting, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail; or at the direction of the president, secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

§ 15.316 CLOSING OF TRANSFER BOOKS AND FIXING RECORD DATE

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of a corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, ten (10) days.

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§ 15.317 VOTING RECORD

(a) The officer or agent having charge of the stock transfer books for shares of a corporation shall make a complete record of the shareholders entitled to vote at such meetings or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each. Such record shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting for the purposes thereof.

(b) Failure to comply with the requirements of this Section shall not affect the validity of any action taken at such meeting.

(c) An officer or agent having charge of the stock transfer books who shall fail to prepare the record of shareholders, or produce and keep it open for inspection at the meeting, as provided in this Section, shall be liable to any shareholder suffering damage on account of such failure, to the extent of such damage.

§ 15.318 QUORUM OF SHAREHOLDERS

Unless otherwise provided in the articles of incorporation, a majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders, but in no event shall a quorum consist of less than one-third of the shares entitled to vote at the meeting. If a quorum is present, affirmative vote of a majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the shareholders, unless the vote of a greater number is required by this Chapter or the articles of incorporation or the by-laws.

§ 15.319 VOTING OF SHARES

(a) Each outstanding share shall be entitled to one vote on each matter submitted to a vote at the meeting of shareholders, except as may be otherwise provided in the articles of incorporation. If the articles of incorporation provided for more or less than one vote for any share, on any matter, every reference in this Chapter to a majority or other proportion of votes entitled to be cast.

(b) A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

§ 15.320 BOARD OF DIRECTORS

A Board of Directors shall manage the business and affairs of a corporation, except as may be otherwise provided in the articles of incorporation. The Board of

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Directors shall have the authority to fix the compensation of directors unless otherwise provided in the articles of incorporation.

§ 15.321 NUMBER AND ELECTION OF DIRECTORS

(a) The Board of Directors of a corporation shall consist of one or more members. The number of directors of a corporation shall be fixed by or in the manner provided in, the articles of incorporation or the by-laws, except as to the number constituting the initial Board of Directors, which number shall be fixed by the articles of incorporation. The number of directors may be increased or decreased from time to time by amendment to, or in the manner provided in the articles of incorporation or the by-laws, but no decrease shall have the effect of shortening the term of any incumbent director.

(b) At least one Director must be a Qualified Entity. Qualified Entities include a member of the Tribe, the Tribe, a Tribal Enterprise, or other entity formed pursuant to Tribal law. Qualified Entities may also include persons or organizations specifically designated as such by Tribal Council resolution. In the event the Qualified Entity or Entities cease to be Directors, the vacancy shall be immediately filled pursuant to Section 15.322 below with another Qualified Entity. If no other Qualified Entity can be appointed or elected within ninety (90) days, then the corporation shall dissolve as pursuant to Section 15.361.

(c) The names and addresses of the members of the Board of Directors shall be stated in the articles of incorporation. Such persons shall hold office until the first annual meeting of shareholders and until their successors shall have been elected and qualified. At the first meeting of shareholders and at each annual meeting thereafter, the shareholders shall elect directors to hold office until the next succeeding annual meeting, except in case of the classification of directors as permitted by this Chapter. Each director shall hold office for the term for which he is elected and qualified.

§ 15.322 VACANCIES

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of directors by the shareholders.

§ 15.323 REMOVAL OF DIRECTORS

At a meeting of shareholders called expressly for that purpose, directors may be removed in the manner provided in this Section. Any director or the entire Board of

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Directors may be removed, with or without cause, by a vote of the holders of a majority of the shares then entitled to vote at an election of the directors.

§ 15.324 QUORUM OF DIRECTORS

A majority of the number of directors fixed by, or in the manner provided in, the by-laws, or in the absence of a by-law fixing or providing for the number of directors, of the number stated in the articles of incorporation shall constitute a quorum for the transaction of business, unless a greater number is required by the articles of incorporation or the by-laws. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the articles of incorporation or by-laws.

§ 15.325 NO CONTRACT VOID OR VOIDABLE

(a) No contract or other transaction between a corporation and one or more of its directors or any other corporation, firm, association or entity in which one or more of its directors are directors or officers, or are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are a committee thereof which authorizes, approves, or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

- (1) The fact of such relationship or interest is disclosed or known to the Board of Directors or a committee thereof which authorizes, approves, or ratifies, the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or
- (2) The fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve, or ratify such contract or transaction by vote or written consent; or
- (3) The contract or transaction is fair and reasonable to the corporation. Common or interested directors may be counted in determination of the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, ratifies, or approves such contract or transaction.

§ 15.326 EXECUTIVE AND OTHER COMMITTEES

If the articles of incorporation or the by-laws so provide, the Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and/or other committees, each of which, to the extent provided in such resolution or in the articles of incorporation or the by-laws of

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the corporation, shall have and may exercise all authority of the Board of Directors, but no such committee shall have the authority of the Board of Directors in reference to amending the articles of incorporation; adopting a plan for merger or consolidation; recommending to the shareholders the sale, lease, exchange, or other disposition of all or substantially all the property and assets of the corporation, otherwise than in the usual and regular course of its business; recommending to the shareholders a voluntary dissolution of the corporation, or a revocation thereof; or amending the by-laws of the corporation. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any members thereof, of any responsibility imposed by law.

§ 15.327 PLACE AND NOTICE OF DIRECTOR'S MEETINGS

(a) Meetings of the Board of Directors, regular or special, may be held within or without Siletz tribal lands.

(b) Regular meetings of the Board of Directors may be held with or without notice as prescribed by the by-laws. Special meetings of the Board of Directors shall be held upon such notices as is prescribed in the by-laws. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of such notice, of such meeting, unless otherwise provided in the articles of incorporation or the by-laws.

§ 15.328 ACTION BY DIRECTORS WITHOUT A MEETING

Unless otherwise provided by the articles of incorporation or by-laws, any action required by this Chapter to be taken at a meeting of the directors of a corporation, or any action which may be taken at a meeting of the directors or of a committee, may be taken without a meeting, if a consent, in writing, setting forth the action so taken, shall be signed by all the directors, or all of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

§ 15.329 DIVIDENDS

The Board of Directors of a corporation may from time to time declare to pay dividends in cash, property, or its own shares, except when the corporation is insolvent or when the payment thereof would render the corporation insolvent, or when the payment thereof would be contrary to any restriction contained in the articles of incorporation.

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§ 15.330 DISTRIBUTION FROM CAPITAL SURPLUS

(a) The Board of Directors of a corporation may from time to time distribute to its shareholders out of capital surplus of the corporation, a portion of its assets, in cash or property, subject to the following provisions:

- (1) No such distribution shall be made at the time when the corporation is insolvent or when such distribution would render the corporation insolvent;
- (2) No such distribution shall be made unless the articles of incorporation so provide or such distribution is authorized by the affirmative vote of the holders of a majority of the outstanding shares of each class whether or not entitled to vote thereon by the provisions of the articles of incorporation of the corporation;
- (3) No such distribution shall be made to the holders of any class unless all cumulative dividends accrued on all preferred or special classes or shares entitled to preferential dividends shall have been fully paid;
- (4) No such distribution shall be made to the holders of any class of shares which would reduce the remaining net assets of the corporation below the aggregate preferential amount payable in event of involuntary liquidation to the holders of shares having preferential rights to the assets of the corporation in the event of liquidation; and
- (5) Each such distribution, when made, shall be identified as a distribution from capital surplus and the amount per share is disclosed to the shareholders receiving the same, concurrently with the distribution thereof. The Board of Directors of a corporation may also, from time to time, distribute to the holders of its outstanding shares having a cumulative preferential right to receive dividends, in discharge of their cumulative dividend rights, dividends payable in cash, out of the capital surplus of the corporation; if at the time the corporation has no earned surplus and is not insolvent and would not thereby be rendered insolvent. Each such distribution, when made, shall be identified as a payment of cumulative dividends out of capital surplus.

§ 15.331 LOANS TO EMPLOYEES AND DIRECTORS

A corporation shall not lend money to or use its credit to assist its directors or employees without authorization in the particular case by its shareholders.

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§ 15.332 LIABILITY OF DIRECTORS IN CERTAIN CASES

(a) In addition to any other liabilities imposed by law upon directors of a corporation:

- (1) Directors of a corporation who vote for an assent to the declaration of any dividend or other distribution of the assets of a corporation to its shareholders contrary to the provisions of this Chapter, or contrary to any restrictions contained in the articles of incorporation, shall be jointly and severally liable to the corporation for the amount of such dividend which is paid or the value of such assets which are distributed in excess of the amount of such dividends or distribution, which could have been paid or distributed without a violation of this act or the restrictions in the articles of incorporation;
- (2) Directors of a corporation who vote for or assent to the purchase of its own shares contrary to the provisions of this Chapter shall be jointly and severally liable to the corporation for the amount of consideration paid for such shares which is in excess of the maximum amount which could have been paid therefore without a violation of the provisions of this Chapter; and
- (3) The directors of a corporation who vote for, or assent to any distribution of assets or a corporation to its shareholders during the liquidation of the corporation, without the payment and discharge of, or making adequate provisions for all known debts, obligations, and liabilities of the corporation shall be jointly and severally liable to the corporation for the value of such assets which are distributed, to the extent that such debts, obligations, and liabilities of the corporation are not thereafter paid and discharged.

(b) A director of a corporation who is present at a meeting of its Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the secretary of the meeting before adjournment thereof or shall forward after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

(c) A director shall not be liable under (1), (2), or (3) of this Section if he relied and acted in good faith upon financial statements of the corporation represented to him to be correct by: the president of, or the officer of such corporation having charge of its books of account, or stated in a written report by an independent public or certified

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public accountant or firm of such accountants, which fail to reflect the financial condition of such corporation, nor shall he be so liable if, in good faith in determining the amount available for any such dividend or distribution, he considered the assets to be of their book value.

(d) Any director against whom a claim shall be asserted under or pursuant to this Section for the payment of a dividend or other distribution of assets of a corporation who shall be held liable thereon, shall be entitled to contribution from the shareholders who accepted or received any such dividend or assets, knowing such dividend or distribution to have been made in violation of this Chapter in proportion to the amounts received by them.

(e) Any director against whom a claim shall be asserted under or pursuant to this Section shall be entitled to contribution from the other directors who voted for or assented to the action upon which the claim is asserted.

§ 15.333 OFFICERS

(a) The officers of a corporation shall consist of a president, one or more vice-presidents as may be prescribed by the by-laws, a secretary, and a treasurer; each of whom shall be elected by the Board of Directors at such time and in such manner as may be prescribed by the by-laws. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors or chosen in such other manner as may be prescribed by the by-laws. Any two or more offices may be held by the same person, except the offices of president and secretary.

(b) All officers and agents of the corporation, as between themselves and the corporation, shall have such authority and perform such duties in the management of the corporation as may be provided in the by-laws, or as may be determined by resolution of the Board of Directors not inconsistent with the by-laws.

§ 15.334 REMOVAL OF OFFICERS

Any officer or agent may be removed by the Board of Directors whenever, in its judgment, the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not, of itself, create contract rights.

§ 15.335 BOOKS AND RECORDS

(a) Each corporation shall keep correct and complete books and records of each account and shall keep minutes of the proceedings of its shareholders and Board of Directors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its shareholders, giving the names and

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addresses of all shareholders and the number and class of shares held by each. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

(b) Any person who shall have been a holder of record of shares or of voting trust certificates thereof at least six (6) months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent (5%) of all the outstanding shares of the corporation, upon written demand stating the purpose thereof, shall have the right to examine, in person, or by agent or attorney, at any reasonable time or times, for any proper purpose, its relevant books and records of account, minutes and record of shareholders and to make transactions therefrom.

(c) Any officer or agent who, or a corporation which, shall refuse to allow any such shareholder or holder of voting trust certificates, or his agent or attorney, to examine and make extracts from its books and records of accounts, minutes, and record of shareholders, for any proper purpose, shall be liable to such shareholder or holder of voting trust certificates in a penalty of ten percent (10%) of the value of the shares owned by such shareholders, or in respect of which such voting trust certificates are issued, in addition to any other damages or remedy afforded him by law. It shall be a defense to any action for penalties under this section that the person suing, has, within two (2) years sold or offered for sale any list of shareholders or of holders of voting trust certificates for shares of such corporation, or any other corporation or has aided or abetted any person in procuring any list of shareholders or of holders of voting trust certificates for any such purpose; or has improperly used any information secured through any prior examination of the books and records of accounts, or minutes or record of shareholders or of holders of voting trust certificates for shares of such corporation, or any other corporation; or was not acting in good faith or for a proper purpose in making his demand. Nothing contained in this section shall impair the power of any court of competent jurisdiction, upon proof by a shareholder or holder of voting trust certificates, of proper purpose, irrespective of the period of time during which such shareholder or holder of voting trust certificates shall have been a shareholder of record or holder of voting trust certificates and irrespective of the number of shares held by him or represented by voting trust certificates held by him to compel the production for examination by such shareholder or holder of voting trust certificates of the books and accounts, minutes and record of shareholders of a corporation.

(d) Upon written request of any shareholder or holder of voting trust certificates for shares of a corporation, the corporation shall mail to such shareholders or holders of voting trust certificates its most recent financial statement showing, in reasonable detail, its assets and liabilities and the result of its operations.

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§ 15.336 INCORPORATORS

One or more members of the CTSI may act as incorporator or incorporators of a corporation by signing, certifying, and delivering in duplicate to the Legal Department, Articles of Incorporation of such corporation.

§ 15.337 ARTICLES OF INCORPORATION

- (a) The Articles of incorporation shall set forth:
- (1) The name of the corporation;
 - (2) The period of duration, which may be perpetual;
 - (3) The purpose or purposes for which the corporation is organized which may be stated to be, or to include, the transaction of any or all lawful business for which corporations may be incorporated under this Chapter;
 - (4) The aggregate number of shares which the corporation shall have the authority to issue and a statement of the par value of the shares;
 - (5) Any provision, not inconsistent with law, for the regulation of the internal affairs of the corporation, including any provision for restricting the transfer of shares and any provisions which, under this Chapter, is required or permitted to be set forth in the by-laws;
 - (6) The address of its initial registered office, and the name of its initial registered agent at such address;
 - (7) The number of directors constituting the initial Board of Directors, and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualify;
 - (8) The name and address of at least one Director who is a Qualified Entity; and
 - (9) The name and address of each incorporator. It shall not be necessary to set forth in the articles of incorporation of any of the corporate powers enumerated in this Chapter.

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§ 15.338 FILING OF ARTICLES OF INCORPORATION

(a) Duplicate originals of the articles of incorporation shall be delivered to the Legal Department. If the Legal Department finds that the articles of incorporation conform to law, the department shall, when all fees and charges have been paid as under this Chapter prescribed:

- (1) Endorse on each of such duplicate originals the word "Filed" and the month, day, and year of filing thereof;
- (2) File one of each such duplicate original in the Legal Department's Corporations files; and
- (3) Prepare the Certificate of Incorporation and refer it to the Tribal General Manager for signature.

(b) The certificate of incorporation, together with the duplicate original of the articles of incorporation affixed thereto by the Legal Department, shall be returned to the incorporators or their representative.

§ 15.339 EFFECT OF ISSUANCE OF CERTIFICATE OF INCORPORATION

Upon the issuance of certificate of incorporation, the corporate existence shall begin, and such certificate of incorporation shall be conclusive evidence that all conditions precedent required to be performed by the incorporators have been complied with and that the corporation has been incorporated under this Chapter, except as against the Legal Department in a proceeding to cancel or revoke the certificate of incorporation or for involuntary dissolution of the corporation.

§ 15.340 ORGANIZATION MEETING OF DIRECTORS

After the issuance of the certificate of incorporation, an organization meeting of the Board of Directors named in the articles of incorporation shall be held at the call of a majority of the directors named in the articles, for the purpose of adopting by-laws, electing officers, and the transacting of such other business as may come before the meeting. The directors calling the meeting shall give at least three (3) days notice thereof, by mail to each director so named, stating the time and place of the meeting.

§ 15.341 RIGHT TO AMEND ARTICLES OF INCORPORATION

A corporation may amend its articles of incorporation, from time to time.

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§ 15.342 PROCEDURE TO AMEND ARTICLES OF INCORPORATION

(a) Amendment to the articles of incorporation shall be made in the following manner:

- (1) The Board of Directors shall adopt a resolution setting forth the proposed amendment and, directing that it is to be submitted to a vote, at a meeting of shareholders, which may be either an annual or a special meeting. If no shares have been issued, the amendment shall be adopted by resolution of the Board of Directors and the provisions for adoption by the shareholders shall not apply. The resolution may incorporate the proposed amendment in restated articles of incorporation which contain a statement that, except for the designated amendment, the restated articles of incorporation correctly set forth without change the corresponding provisions of the articles of incorporation as theretofore amended, and that the restated articles of incorporation together with the designated amendment supersede the original articles of incorporation and all amendments thereto;
- (2) Written or printed notice setting forth the proposed amendment or a summary of the changes to be affected thereby shall be given to each shareholder of record entitled to vote thereon within the time and in the manner provided in this Chapter for the giving of notice of meetings of shareholders. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting; and
- (3) At such meeting, a vote of the shareholders entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares entitled to vote thereon, unless any class of shares is entitled to vote thereon as a class, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares of each class of shares entitled to vote thereon as a class and of the total shares entitled to vote thereon;

(b) Any number of amendments may be submitted to the shareholders and voted upon by them at one meeting.

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§ 15.343 ARTICLES OF AMENDMENT

(a) The articles of amendment shall be executed in duplicate by its president or vice-president, and by its secretary or an assistant secretary, and verified by one of the officers signing such articles and shall set forth:

- (1) The name of the corporation;
- (2) The amendments so adopted;
- (3) The date of the adoption of the amendment by the shareholders; or by the Board of Directors where no shares have been issued;
- (4) The number of shares outstanding and the number of shares entitled to vote thereon;
- (5) The number of shares voted for and against such amendment respectively, or if no shares have been issued, a statement to that effect;
- (6) If such amendment provides for an exchange, cancellation of issued shares, and if the manner in which the name shall be affected is not set forth in the amendment, then a statement of the manner in which the name shall be affected; and
- (7) If such amendment effects a change in the amount of stated capital, then a statement of the manner in which the same is affected and a statement, expressed in dollars, of the amount of stated capital as changed by such amendment.

§ 15.344 FILING OF ARTICLES OF AMENDMENT

(a) Duplicate originals of the articles of amendment shall be delivered to the Legal Department. If the Legal Department finds that the articles of amendment conform to law, the department shall, when all fees and franchise taxes have been paid, as in this Chapter prescribed:

- (1) Endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;
- (2) File one of such duplicate originals in the Legal Department's Corporations files;

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- (3) Prepare the certificate of amendment and refer it to the Tribal General Manager for issuance.

(b) The certificate of amendment, together with the duplicate original of the articles of amendment affixed thereto by the Legal Department, shall be returned to the corporation or its representative.

§ 15.345 EFFECT OF CERTIFICATE OF AMENDMENT

(a) Upon the issuance of the certificate of amendment by the Legal Department, the amendment shall become effective and the articles of incorporation shall be deemed accordingly.

(b) No amendment shall affect any existing cause of action in favor of or against such corporation, or any pending suit to which such corporation shall be a party, or existing rights of persons other than shareholders; and, in the event the corporate name shall be changed by amendment, no suit brought by or against such corporation under its former name shall abate for that reason.

§ 15.346 RESTATED ARTICLES OF INCORPORATION

(a) A domestic corporation may, at any time, restate its articles of incorporation as theretofore amended, by a resolution adopted by the Board of Directors.

(b) Upon the adoption of such a resolution, restated articles of incorporation shall be executed in duplicate by the corporation; by its president, vice-president, and by its secretary, and verified by one of the officers signing such articles; and shall set forth all of the operative provisions of the articles of incorporation as theretofore amended, together with a statement that the restated articles correctly set forth, without change, the corresponding provisions of the articles of incorporation as theretofore amended, and that the restated articles supersede the original articles of incorporation and all amendments thereto.

(c) Duplicate originals of the restated articles of incorporation shall be delivered to the Legal Department. If the Legal Department finds that such restated articles of incorporation conform to law, the department shall, when all fees and franchise taxes have been paid, as in this Chapter prescribed:

- (1) Endorse on each of such duplicate originals the word "Filed" and the month, day, and year of the filing thereof;
- (2) File one of such duplicate originals in the Legal Department's Corporations files;

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- (3) Refer the restated certificate of incorporation to the Tribal General Manager for issuance, to which the other duplicate original shall be affixed.

(d) The restated certificate of incorporation, together with the duplicate original together with the duplicate original of the restated articles of incorporation affixed thereto by the Legal Department, shall be returned to the corporation or its representative.

(e) Upon the issuance of the restated certificate of incorporation by the Legal Department, the restated articles of incorporation shall become effective and shall supersede the original articles of incorporation and all amendments thereto.

§ 15.347 REDUCTION OF STATED CAPITAL IN CERTAIN CASES

(a) A reduction of the stated capital of a corporation, where such reduction is not accompanied by any action requiring amendment of the articles of incorporation, and not accompanied by a cancellation of shares, may be made in the following manner:

- (1) The Board of Directors shall adopt a resolution setting forth the amount of the proposed reduction and the manner in which the reduction shall be effected, and directing that the question of such reduction be submitted to a vote at a meeting of shareholders, which may be either an annual or a special meeting;
- (2) Written notice, stating that the purpose or one of the purposes of such meeting is to consider the question of reducing the stated capital of the corporation in the amount and manner proposed by the Board of Directors, shall be given to each shareholder of record entitled to vote thereon within the time and in the manner provided in this Chapter for the giving of notice of meetings of shareholders; and
- (3) At such meeting a vote of the shareholders entitled to vote thereon shall be taken on the question of approving the proposed reduction of stated capital, which shall be required for its adoption, the affirmative vote of the holders of a majority of the shares entitled to vote thereon.

(b) Where a reduction of the stated capital of a corporation has been approved as provided in this Section, a statement shall be executed in duplicate by the corporation; by its president, vice-president, and by its secretary or assistant secretary, and certified by one of its officers signing such statement and shall set forth:

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- (1) The name of the corporation;
- (2) A copy of the resolution of the shareholders approving such reduction and the date of its adoption;
- (3) The number of shares outstanding and the number of shares entitled to vote thereon;
- (4) The number of shares voted for and against such reduction, respectively; and
- (5) A statement of the manner in which such reduction is effected, and a statement, expressed in dollars, of the amount of stated capital of the corporation after giving effect to such reduction.

(c) Duplicate originals of such statement shall be delivered to the Legal Department. If the Legal Department finds that such statement conforms to law, the department shall, when all fees and franchise taxes have been paid, as in this Chapter prescribed:

- (1) Endorse on each of such duplicate originals the word "Filed" and the month, day and year of the filing thereof;
- (2) File one of such duplicate originals in the Legal Department's Corporations files;
- (3) Return the other duplicate original to the corporation or its representative.

(d) Upon the filing of such statement, the stated capital of the corporation shall be reduced as therein set forth.

(e) No reduction of the stated capital shall be made under the provisions of this Section which would reduce the amount of the aggregate stated capital of the corporation to an amount equal to or less than the aggregate preferential amounts payable upon all issued shares having a preferential right in the assets of the corporation in the event of involuntary liquidation, plus the aggregated par value of all issued shares having a par value but no preferential right in the assets of the corporation in the event of involuntary liquidation.

§ 15.348 SPECIAL PROVISIONS RELATING TO SURPLUS

(a) The surplus, if any, created by or arising out of a reduction of the stated capital of a corporation shall be capital surplus.

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(b) The capital surplus of a corporation may be increased from time to time by resolution of the Board of Directors directing that all or a part of the earned surplus of the corporation be transferred to capital surplus.

(c) A corporation may, by resolution of its Board of Directors, apply any part or all of its capital surplus to the reduction or elimination of any deficit arising from losses, however incurred, but only after first eliminating the earned surplus if any, of the corporation by applying such losses against earned surplus and only to the extent that such losses exceed the earned surplus, if any. Each such application of capital surplus shall, to the extent thereof, effect a reduction of capital surplus.

(d) A corporation may, by resolution of its Board of Directors, create a fund out of its earned surplus for any proper purposes, and may abolish any such fund in the same manner. Earned surplus of the corporation, to the extent so funded, shall not be available for the payment of dividends or other distributions by the corporation except as expressly permitted by this Chapter.

§ 15.349 SALE OF ASSETS IN REGULAR COURSE OF BUSINESS AND MORTGAGE OR PLEDGE OF ASSETS

(a) The sale, lease, exchange, or other disposition of all, or substantially all, the property and assets of a corporation in the usual and regular course of its business and the mortgage or pledge of any or all property and assets of a corporation whether or not in the usual and regular course of business may be made upon such terms and conditions and for such consideration, which may consist in whole or in part of cash or other property, including shares, obligations or other securities of any other corporation, domestic or foreign, as shall be authorized by its Board of Directors; and in any such case, no authorization or consent of the shareholders shall be required.

§ 15.350 SALE OF ASSETS OTHER THAN IN REGULAR COURSE OF BUSINESS

(a) A sale, lease, exchange, or other disposition of all, or substantially all, the property and assets with or without the good will, of a corporation, if not in the usual and regular course of its business, may be made upon such terms and conditions and for such consideration, which may consist in whole or in part of cash or other property, including shares, obligations, or other securities of any other corporation, domestic or foreign, as may be authorized, in the following manner:

- (1) The Board of Directors shall adopt a resolution recommending such sale, lease, exchange or other disposition and directing the submission thereof to a vote at a meeting of shareholders, which may be either an annual or special meeting;

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- (2) Written notice shall be given to each shareholder of record, whether or not entitled to vote at such meeting not less than twenty (20) days before such meeting, in the manner provided in this Chapter for the giving of notice of meetings of shareholders and, whether the meeting be an annual or a special meeting, shall state that the purpose, or one of the purposes is to consider the proposed sale, lease, exchange, or other disposition;
- (3) At such meeting the shareholders may authorize such sale, lease, exchange, or other disposition and may fix, or may authorize the Board of Directors to fix, any or all of the terms and conditions thereof, and the consideration to be received by the corporation therefor. Such authorization shall require the affirmative vote of the holders of a majority of the shares of the corporation entitled to vote thereon, unless any class of shares is entitled to vote thereon as a class, in which event such authorization shall require the affirmative vote of the holders of a majority of the shares of each class of shares entitled to vote as a class thereon and of the total shares entitled to vote thereon; and
- (4) After such authorization by a vote of shareholders, the Board of Directors, nevertheless, in its discretion, may abandon such sale, lease, exchange or other disposition of assets, subject to the rights of third parties under any contracts relating thereto, without further action or approval by shareholders.

§ 15.351 VOLUNTARY DISSOLUTION BY INCORPORATORS

A corporation which has not commenced business and which has not issued any shares, may be voluntarily dissolved by its incorporators pursuant to regulations promulgated by the Legal Department in accordance with the Tribal Administrative Procedures Ordinance (and approved by Tribal Council).

§ 15.352 VOLUNTARY DISSOLUTION BY CONSENT OF SHAREHOLDERS

(a) A corporation may be voluntarily dissolved by the written consent of all its shareholders.

(b) Upon the execution of such written consent, a statement of intent to dissolve shall be executed in duplicate by the corporation; by its president or vice-president and by its secretary or assistant secretary and verified by one of the officers signing such statement, which statement shall set forth:

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- (1) The name of the corporation;
- (2) The names and respective addresses of its officers;
- (3) The names and respective addresses of its directors;
- (4) A copy of the written consent signed by all shareholders of the corporation; and
- (5) A statement that such written consent has been signed by all shareholders of the corporation or signed in their names by their attorneys as duly authorized.

(c) A voluntary dissolution shall comply with the regulations promulgated by the Legal Department in accordance with the Tribal Administrative Procedures Ordinance (and approved by Tribal Council).

§ 15.353 VOLUNTARY DISSOLUTION BY ACT OF CORPORATION

(a) A corporation may be dissolved by the act of the corporation, when authorized in the following manner:

- (1) The Board of Directors shall adopt a resolution recommending that the corporation be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of shareholders, which may be either an annual meeting or a special meeting;
- (2) Written notice shall be given to each shareholder of record entitled to vote at such meeting, within the time and in the manner provided in this Chapter for the giving of notice of meetings to shareholders, and whether the meeting be an annual or special meeting, shall state that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation;
- (3) At such meeting a vote of shareholders entitled to vote shall be taken on a resolution to dissolve the corporation. Such resolution shall be adopted upon receiving the affirmative vote of the holders of a majority of the shares of the corporation entitled to vote thereon; and
- (4) Upon the adoption of such resolution by the members, the corporation shall execute a statement of intent to dissolve pursuant to regulations promulgated by the Legal Department in accordance

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with the Tribal Administrative Procedures Ordinance (and approved by Tribal Council).

§ 15.354 EFFECT OF STATEMENT OF INTENT TO DISSOLVE

Upon the filing by the corporation's secretary of a statement of intent to dissolve, whether by consent of shareholders or by act of the corporation, the corporation shall cease to carry on its business except insofar as may be necessary for the winding up thereof, but its corporate existence shall continue until a certificate of dissolution has been issued by the Legal Department or until a decree dissolving the corporation has been entered by a court of competent jurisdiction as provided in this Chapter.

§ 15.355 REVOCATION OF VOLUNTARY DISSOLUTION PROCEEDINGS

(a) By the written consent of all its shareholders, or by an act of the corporation, a corporation may, at any time prior to the issuance of a certificate of dissolution by the Legal Department, revoke voluntary dissolution proceedings theretofore taken, in a manner pursuant to regulations promulgated by the Legal Department in accordance with the Tribal Administrative Procedures Ordinance (and approved by Tribal Council).

§ 15.356 ARTICLES OF DISSOLUTION

(a) If voluntary dissolution proceedings have not been revoked; when all debts, liabilities, and obligations of the corporation shall have been paid and discharged, or adequate provision has been made for such, and all of the remaining property and assets of the corporation have been distributed to its shareholders, articles of dissolution shall be executed in duplicate by the corporation; by its president or a vice-president, and by its secretary or an assistant secretary, and verified by one of the officers signing such statement, which such statement shall set forth:

- (1) The name of the corporation;
- (2) That the Legal Department filed a statement of intent to dissolve the corporation, and the date on which such statement was filed;
- (3) That all debts, obligations, and liabilities of the corporation have been paid and discharged or that adequate provisions have been made therefore;
- (4) That all the remaining property and assets of the corporation have been distributed among its shareholders in accordance with their respective rights and interests; and

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- (5) That there are no suits pending against the corporation in any court, or that adequate provisions have been made for the satisfaction of any judgment, order, or decree which may be entered against it in any pending suit.

§ 15.357 FILING OF ARTICLES OF DISSOLUTION

(a) Duplicate originals of such articles of dissolution shall be delivered to the Legal Department.

(b) If the Legal Department finds that such articles of dissolution conform to law, the department shall, when all fees and franchise taxes have been paid as in this Chapter prescribed:

- (1) Endorse on each of such duplicate originals the word "Filed", and the month, day, and year of such filing thereof;
- (2) File one of such duplicate original in the Legal Department's Corporations files; and
- (3) Prepare the recommended certificate of dissolution and refer it to the Tribal General Manager for issuance.

(c) The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto by the Legal Department shall be returned to the representative of the dissolved corporation. Upon the issuance of such certificate of dissolution, the existence of the corporation shall cease, except for the purpose of suits, other proceedings, and appropriate corporate action by shareholders, directors and officers as provided in this Chapter.

§ 15.358 INVOLUNTARY DISSOLUTION

(a) A corporation may be dissolved involuntarily by a decree of the Siletz Tribal Court in an action instituted by the Tribal Legal Department when it is established that:

- (1) The corporation has failed to file its annual report within the time required by this Chapter, or has failed to pay its franchise tax on or before the first day of August of the year in which such franchise tax becomes due and payable; or
- (2) The corporation procured its articles of incorporation through fraud; or

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- (3) The corporation has continued to exceed or abuse the authority conferred upon it by law; or
- (4) The corporation has failed for thirty (30) days to appoint and maintain a registered office or registered agent within the Siletz 11 County Service Area; or
- (5) The corporation has failed for thirty (30) days, after change of its registered office or registered agent to file in the Legal Department, a statement of such change.

§ 15.359 NOTIFICATION TO THE LEGAL DEPARTMENT

(a) If on or before the last day of December, a corporation shall have failed to file its annual reports or to pay franchise taxes in accordance with the provisions of this Chapter or shall have given cause for dissolution as provided in this Chapter, the Legal Department shall file an action in the name of the CTSI against such corporation for its dissolution.

(b) If, after such action has been filed, the corporation shall file its annual report or pay its franchise tax, together with all penalties thereon, or shall appoint or maintain a registered agent as provided in this Chapter, or shall file with the Legal Department the required statement of change of registered agent, and shall pay the costs of such action, the action for such cause shall abate.

§ 15.360 JURISDICTION OF COURT TO LIQUIDATE ASSETS AND AFFAIRS OF CORPORATION

(a) The Siletz Tribal Court shall have full power to liquidate the assets and business of a corporation:

- (1) In any action by a shareholder when it is established:
 - (A) That the Directors are deadlocked in the management of the corporation affairs and that the shareholders are unable to break the deadlock; and that irreparable injury to the corporation is being suffered or is threatened by reason thereof; or
 - (B) That the acts of the Directors or those in control of the corporation are illegal, oppressive or fraudulent; or
 - (C) That the shareholders are deadlocked in voting power, and have failed, for a period which includes at least two (2)

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consecutive annual meeting dates, to elect successors to Directors whose terms have expired or would have expired upon the election of their successors; or

(D) That the corporation assets are being misapplied or wasted.

- (2) In an action by a creditor when the claim of the creditor has been reduced to judgment and an execution thereon returned unsatisfied and it is established that the corporation is insolvent;
- (3) Upon application by a corporation which has filed a statement of intent to dissolve, as provided in this Chapter, to have its liquidation continued under the supervision of the Court; and
- (4) When an action has been commenced by the Legal Department to dissolve a corporation and it is established that liquidation of its business and affairs should precede the entry of a decree of dissolution.

(b) It shall not be necessary to make shareholders parties to any such action or proceeding, unless relief is sought against them personally.

§ 15.361 PROCEDURE IN LIQUIDATION OF CORPORATION BY THE SILETZ TRIBAL COURT

(a) In proceedings to liquidate the assets and business of a corporation, the Siletz Tribal Court shall have the power to issue injunctions and to appoint a receiver or receivers pendente lite, with such powers and duties as the Siletz Tribal Court, from time to time, may direct and to take such other proceedings as may be requested to preserve the corporate assets wherever situated and carry on business of the corporation until a full hearing can be held.

(b) After a hearing had upon such notice as the Siletz Tribal Court may direct to be given to all parties to the proceedings and to any other parties in interest designated by the Siletz Tribal Court, the Siletz Tribal Court may appoint a liquidating receiver or receivers with authority to collect the assets of the corporation, including all amounts owing to the corporation by subscribers on account of any unpaid portion of the consideration for the issuance of shares. Such liquidating receiver shall have authority, subject to the order of the Siletz Tribal Court, to sell, convey and dispose of all or any part of the assets of the corporation wherever situated, either at public or private sale. The assets of the corporation of the proceeds resulting from a sale, conveyance, or other disposition thereof shall be applied to the expenses of such liquidation and to the payment of the liabilities and obligations of the corporation, and any remaining assets or proceeds shall be distributed among its shareholders according to their respective rights and

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interests. The order appointing such liquidating receiver shall state their powers and duties. Such power and duties may be increased or diminished at any time during the proceedings.

(c) The Siletz Tribal Court shall have power to allow, from time to time, as expenses of the liquidation compensation to the receiver or receivers and to attorneys in the proceedings, and to direct the payment thereof out of the assets of the corporation or the proceeds of any sale or disposition of such assets.

(d) A receiver of a corporation appointed under the provisions of this Section shall have authority to sue and defend in all courts in his own name as receiver of such corporation. The court appointing such receiver(s) shall have exclusive jurisdiction of the corporation and its property, wherever situated.

§ 15.362 QUALIFICATION OF RECEIVERS

A receiver shall in all cases be a natural person or a corporation authorized to act as receiver, domestic, and shall in all cases give such bond as the Court may direct with such sureties as the Court may require.

§ 15.363 FILING OF CLAIMS IN LIQUIDATION PROCEEDINGS

In proceedings to liquidate the assets and business of a corporation, the Siletz Tribal Court may require all creditors of the corporation to file with the Clerk of Court, or with the receiver, in such form as the Court may prescribe, proof under oath of their respective claims. If the Court requires the filing of claims it shall fix a date, which shall be not less than four (4) months from the date of the order, as the last day for the filing of claims, and shall prescribe the notice that shall be given to creditors and claimants of the date so fixed. Notice shall be published in the Siletz Tribal Newsletter. Prior to the date so fixed, the Court may extend the time for the filing of claims. Creditors and claimants failing to file proofs or claims on or before the date so fixed may be barred, by order of the Court, from participating in the distribution of the assets of the Corporation.

§ 15.364 DISCONTINUANCE OF LIQUIDATION PROCEEDINGS

The liquidation of the assets and business of a corporation may be discontinued at any time during the liquidation proceedings when it is made to appear that cause for liquidation no longer exists. In such event the Court shall dismiss the proceedings and direct the receiver to redeliver to the corporation all its remaining property and assets.

§ 15.365 DECREE OF INVOLUNTARY DISSOLUTION

In proceedings to liquidate the assets and affairs of a corporation, when the costs and expenses of such proceedings and all debts, obligations, and liabilities of the

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corporation shall have been paid and discharged and all of its remaining property and assets distributed to its shareholders; or in the case its property and assets are not sufficient to satisfy and discharge such costs, expenses, debts, and obligations, all the property and assets have been applied so far as they will go to their payment, the Court shall enter a decree dissolving the corporation, whereupon the existence of the corporation shall cease.

§ 15.366 FILING OF DECREE OF DISSOLUTION

In case the Court shall enter a decree dissolving a corporation, it shall be the duty of the Clerk of such Court to cause a certified copy of the decree to be filed with the Legal Department. No fee shall be charged by the Legal Department for the filing thereof.

§ 15.367 DEPOSITS WITH LEGAL DEPARTMENT

Upon the voluntary or involuntary dissolution of a corporation, the portion of the assets distributable to a creditor or a shareholder who is unknown or cannot be found, or who are under disability and there is no person legally competent to receive such distributive portion, shall be reduced to cash and be deposited with the Legal Department for deposit with the Siletz Tribal Trust Officer for administration. Such funds shall be paid over to such creditor or shareholder or his legal representative upon proof satisfactory to the Legal Department and the Trust Officer of the creditor or shareholder's rights thereto.

§ 15.368 SURVIVAL OF REMEDY AFTER DISSOLUTION

The dissolution of a corporation either (1) by the issuance of a certificate of dissolution by CTSI, or (2) by a decree of the Court when the Court has not liquidated the assets and business of the corporation as provided in this Chapter, or (3) by expiration of its period of duration, shall not take away or impair any remedy available to or against such corporation, its directors, officers, or shareholders, for any right or claim existing; or any liability incurred, prior to such dissolution action or other proceeding thereon if commenced within two (2) years after the date of such dissolution, any action or proceeding by or against the corporation in its corporate name. The shareholders, directors, and officers shall have the power to take such corporate or other action as shall be appropriate to protect such remedy, right, or claim. If such corporation was dissolved at the expiration of its period of duration, such corporation may amend its articles of incorporation at any time during such period of two (2) years so as to extend its period of duration.

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§ 15.369 **ANNUAL REPORT OF DOMESTIC AND FOREIGN CORPORATIONS**

(a) Each domestic corporation shall prepare, within the time prescribed by this Chapter, an annual report setting forth:

- (1) The name of the corporation;
- (2) The address of its registered office and the name of its registered agent;
- (3) A brief statement of the character of the business in which the corporation is actually engaged;
- (4) The names and respective addresses of the directors and officers of the corporation.
- (5) A statement of the aggregate number of shares which the corporation has authority to issue and par value of the shares;
- (6) A statement of the aggregate number of issued shares;
- (7) A statement, expressed in dollars, of the amount of stated capital of the corporation, as defined in this Chapter;
- (8) A statement, expressed in dollars, of the value of all the property owned by the corporation, wherever located, and the value of the property of the corporation located within Siletz Tribal lands, and a statement, expressed in dollars, of the gross amount of business transacted by the corporation for the twelve (12) months ended on the thirty-first (31st) day of December preceding the date herein provided for the filing of such report and the gross amount thereof transacted by the corporation at or from places of business on Siletz Tribal lands.
- (9) If all the property of the corporation is located on Siletz Tribal lands and all of its business is transacted at or from places of business on Siletz Tribal lands, or if the corporation elects to pay the annual franchise tax on the basis of its entire stated capital, then the information required by this subparagraph need not be set forth in such report.
- (10) Such additional information as may be necessary or appropriate in order to enable the Legal Department to determine and assess the

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proper amount of taxes payable by such corporation shall be made on forms prescribed and furnished by the Legal Department and the information therein contained shall be given as of the date of the execution of the report, except as to the information required by subparagraphs (7), (8), and (9) which shall be given as of the close of business on the thirty-first (31st) day of December next preceding the date herein provided for the filing of such report.

- (11) The report shall be executed for the corporation by its president, a vice-president, secretary, or treasurer, and verified by the officer executing the report, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation and certified by such receiver or trustee.

§ 15.370 FILING OF ANNUAL REPORT OF CORPORATION

(a) Such annual report of a corporation shall be delivered to the Legal Department, between the first day of January and the first day of March of each year, except that the first annual report of a corporation shall be filed between the first day of January and the first day of March in the calendar year following the year in which its certificate of incorporation was issued by CTSI.

(b) If the Legal Department finds that such report conforms to law, the department shall file the same. If the department finds that it does not so conform, the department shall promptly return the same to the corporation for any necessary correction, in which event the penalties hereinafter prescribed for failure to file such report within the time hereinabove provided shall not apply, if such report is corrected to conform to the requirements of this Chapter and returned to the Legal Department within thirty (30) days from the date on which it was mailed to the corporation by the Legal Department.

§ 15.371 FEES, TAXES AND CHARGES TO BE COLLECTED BY THE LEGAL DEPARTMENT

(a) The Legal Department shall charge corporations and collect from corporations in accordance with the provisions of this Chapter and any subsequent Taxation resolution, ordinance, and/or Chapter to the Commercial Code:

- (1) Fees for filing documents and issuing certificates;
- (2) Miscellaneous charges;
- (3) License fees; and

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(4) Duly-enacted taxes.

(b) Such funds shall be deposited into the Tribal General fund or as specifically directed by resolution, ordinance, and/or Code.

§ 15.372 FEES FOR FILING DOCUMENTS AND ISSUING CERTIFICATES

(a) The Legal Department shall charge and collect for:

- (1) Filing articles of incorporation and issuing a certificate of incorporation: \$25.00;
- (2) Filing articles of amendment and issuing a certificate of amendment: \$10.00;
- (3) Filing restated articles of incorporation: \$5.00;
- (4) Filing a statement of change of address of registered office or change of registered agent, or both: \$0.00;
- (5) Filing a statement of reduction of stated capital: \$0.00;
- (6) Filing a statement of intent to dissolve: \$5.00;
- (7) Filing a statement of revocation of voluntary dissolution proceedings: \$0.00;
- (8) Filing articles of dissolution: \$5.00;

§ 15.373 MISCELLANEOUS CHARGES

(a) The Legal Department shall charge and collect:

- (1) For furnishing a certified copy of any document, instrument, or paper relating to a corporation: .05 cents per page; and: \$5.00 for the certificate and affixing the seal thereto; and
- (2) At the time of service of process on him or her as resident agent of a corporation: \$5.00 which amount may be recovered as taxable costs by the party to the suit or action causing such service to be made if such party prevails in the suit or action.

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§ 15.374 LICENSE FEES PAYABLE BY DOMESTIC CORPORATIONS

(a) The Legal Department shall charge and collect from each domestic corporation license fees, based on the number of shares which it will have authority to issue or the increase in the number shares it will have authority to issue, at the time of:

- (1) Filing articles of incorporation;
- (2) Filing articles of amendment increasing the number of authorized shares; and
- (3) Filing articles of merger or consolidation increasing the number of authorized shares which the surviving or new corporation, if a domestic corporation, will have the authority to issue above the aggregate number of shares which the constituent domestic corporations authorized to transact business on Siletz Tribal lands had authority to issue.

(b) The license fees shall be at the rate of five cents (\$0.05) per share up to and including the first 10,000 authorized shares and ten cents (\$0.10) per share for each authorized share in excess of 10,000 shares, whether the shares are of par value or without par value.

(c) The license fees payable on an increase in the number of authorized shares shall be imposed only on the increased number of shares, and the number of previously authorized shares shall be taken into account in determining the rate applicable to the increased number of authorized shares.

§ 15.375 PENALTIES IMPOSED UPON CORPORATIONS

(a) Each corporation that fails or refuses to file its annual report for any year within the time prescribed by this Chapter shall be subject to a penalty equal to one-half the license fee most recently assessed against it.

(b) Each corporation that fails to or refuses to answer truthfully and fully within the time prescribed by this Chapter interrogatories propounded by the Legal Department in accordance with the provisions of this Chapter, shall be guilty of a Civil Offense against the Tribe, and upon a Court order finding that the Civil Offense was committed, shall be fined in an amount not to exceed Five Thousand and No/100 (\$5,000.00) dollars.

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§ 15.376 PENALTIES IMPOSED UPON OFFICERS AND DIRECTORS

Each officer and director of a corporation, who fails or refuses within the time prescribed by this Chapter, to answer truthfully and fully interrogatories propounded to him by the Legal Department in accordance with the provisions of this Chapter, or who signs any articles, statements, report, application, or other document filed with the Legal Department which is known to such officer or director to be false in any material aspect, shall be deemed guilty of a Civil Offense against the Tribe, and upon a Court order finding that the Civil Offense was committed, shall be fined in any amount not exceeding Five Thousand and No/100 (\$5,000.00) dollars.

§ 15.377 INTERROGATORIES BY THE LEGAL DEPARTMENT

The Legal Department may propound to any corporation, domestic or foreign, subject to the provisions of this Chapter and to any officer or director thereof, such interrogatories as may be reasonably necessary and proper to enable him to ascertain whether such corporation has complied with all the provisions of this Chapter applicable to such corporation. Such interrogatories shall be answered within thirty (30) days after the mailing thereof, or within such additional time as shall be fixed by the Legal Department, and the answers thereto shall be full and complete and shall be made in writing and under oath. If such interrogatories be directed to an individual they shall be answered by him, and if directed to a corporation they shall be answered by the president, vice-president, secretary, or treasurer thereof. The Legal Department need not file any document to which such interrogatories relate until such interrogatories be answered as herein provided, and then only if the answers disclose that such document is not in conformity with the provisions of this Chapter.

§ 15.378 INFORMATION DISCLOSED BY INTERROGATORIES

(a) Interrogatories propounded by the Legal Department and the answers thereto shall not be open to public inspection nor shall the Legal Department disclose any facts or information obtained therefrom except insofar as his or her official duty may require the same to be made public or in the event such interrogatory or the answers thereto are required for evidence in any civil or criminal proceedings or in any other action by the CTSI.

(b) Appeals from all final orders and judgments entered by the Siletz Tribal Court under this Section in review of any ruling or decisions of the Legal Department may be taken as in other civil actions.

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§ 15.379 CERTIFICATES AND CERTIFIED COPIES TO BE RECEIVED IN EVIDENCE

All certificates issued by CTSI in accordance with the provisions of this Chapter and all copies of documents filed in the Legal Department in accordance with the provisions of this Chapter, when certified by that department, shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the facts therein stated. A certificate by the Legal Department under the Seal of the CTSI, as to the existence or non-existence of the facts relating to corporations shall be taken and received in all courts, public offices and official bodies as prima facie evidence of the existence or non-existence of the facts therein stated.

§ 15.380 FORMS TO BE FURNISHED BY THE LEGAL DEPARTMENT

All reports required by this Chapter to be filed in the Legal Department shall be made on forms that shall be prescribed and furnished by the department. Forms for all other documents to be filed in the Legal Department shall be furnished by the department on request, but the use thereof, unless otherwise specifically prescribed in this Chapter, shall not be mandatory.

§ 15.381 GREATER VOTING REQUIREMENTS

Whenever, with respect to any action to be taken by the shareholders of a corporation, the corporation's articles of incorporation require the vote or concurrence of a greater proportion of the shares than required by this Chapter, with respect to such action, the provisions of the articles of incorporation shall control.

§ 15.382 WAIVER OF NOTICE

Whenever any notice is required to be given to any shareholder or director of a corporation under the provisions of this Chapter or under the provisions of the articles of incorporation or by-laws of the corporation, a waiver thereof shall be in writing signed by the person or persons entitled to such notice.

§ 15.383 ACTION BY MEMBERS OR DIRECTORS WITHOUT A MEETING

(a) Any action required by this Chapter to be taken at a meeting of the shareholders of a corporation, or any action which may be taken at a meeting of the shareholders, may be taken without a meeting, if consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof

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(b) Such consent shall have the same effect as a unanimous vote of shareholders, and may be stated as such in any articles or document filed with the Legal Department under this Chapter.

§ 15.384 EFFECT OF INVALIDITY OF PART OF THIS CHAPTER

If any court shall adjudge to be invalid or unconstitutional any clause, sentence, paragraph, section, or part of this Chapter, such judgment or decree shall not affect, impair, invalidate, or nullify the remainder of this Chapter, but the effect thereof shall be confined to the clause, sentence, paragraph, section, or part of this Chapter so adjudged to be invalid or unconstitutional.

§ 15.385 JURISDICTION OF SILETZ TRIBAL COURT

The Siletz Tribal Court shall have jurisdiction over any corporation, its directors, officers or employees, organized under this Chapter for enforcement of this Chapter or for any matter having to do with the administration, operations or business of the Corporation.