**§1629. Effect of failure to have statement of foreign qualification**

**1. Conducting activities; maintaining proceeding.**  A foreign limited liability company conducting activities in this State, or anyone on its behalf, may not maintain a proceeding in any court in this State for the collection of its debts unless an effective statement of foreign qualification for the foreign limited liability company is in the records of the office of the Secretary of State.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

**2. Stay proceeding.**  A court may stay a proceeding commenced by a foreign limited liability company until it determines whether the foreign limited liability company should have a statement of foreign qualification on file with the office of the Secretary of State. If the court determines that the foreign limited liability company should have a statement of foreign qualification on file with the office of the Secretary of State, the court may further stay the proceeding until there is an effective statement of foreign qualification on file with the office of the Secretary of State with respect to the foreign limited liability company. If a court determines that a foreign limited liability company is required to have a statement of foreign qualification on file with the office of the Secretary of State, and the foreign limited liability company subsequently delivers for filing to the office of the Secretary of State a statement of foreign qualification, a proceeding in any court in this State to which the foreign limited liability company is a party may not, after the effective date of the statement of foreign qualification, be dismissed by reason of the foreign limited liability company's prior noncompliance with section 1622.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

**3. Civil penalty.**  A foreign limited liability company is liable for a civil penalty of $500 for each year, or portion thereof, it transacts business in this State without first complying with the requirements of section 1622.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

**4. Recovery of civil penalty.**  The civil penalty set forth in subsection 3 may be recovered in an action brought by the Attorney General. Upon a finding by the court that a foreign limited liability company has conducted activities in this State in violation of this subchapter, the court may issue, in addition to or in lieu of the imposition of a civil penalty, an injunction restraining the further conducting of activities by the foreign limited liability company and its agents and the further exercise of any rights and privileges of a foreign limited liability company in this State until all amounts plus any interest and court costs that the court may assess have been paid and until the foreign limited liability company has otherwise complied with this subchapter.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

**5. Validity of acts; defending proceeding.**  Notwithstanding subsections 1 and 2, the conducting of activities in this State by a foreign limited liability company without having a statement of foreign qualification on file in the records of the office of the Secretary of State does not impair the validity of the acts of the foreign limited liability company or prevent the foreign limited liability company from defending any proceeding in this State.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

**6. Debts; obligations; liabilities.**  A member or agent of a foreign limited liability company is not liable for the debts, obligations or other liabilities of the foreign limited liability company solely because the foreign limited liability company conducted activities in this State without a statement of foreign qualification being on file with the office of the Secretary of State.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

SECTION HISTORY

PL 2009, c. 629, Pt. A, §2 (NEW). PL 2009, c. 629, Pt. A, §3 (AFF).

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