

Sunsets 1/1/2016

48-2c-102 Definitions.

As used in this chapter:

- (1) "Bankruptcy" includes bankruptcy under federal bankruptcy law or under Utah insolvency law.
- (2) "Business" includes a lawful trade, occupation, profession, business, investment, or other purpose or activity, whether or not that trade, occupation, profession, business, investment, purpose, or activity is carried on for profit.
- (3) "Capital account," unless otherwise provided in the operating agreement, means the account, as adjusted from time to time, maintained by the company for each member to reflect:
 - (a) the value of all contributions by that member;
 - (b) the amount of all distributions to that member or the member's assignee;
 - (c) the member's share of profits, gains, and losses of the company; and
 - (d) the member's share of the net assets of the company upon dissolution and winding up that are distributable to the member or the member's assignee.
- (4) "Company," "limited liability company," or "domestic company" means a person organized as a:
 - (a) limited liability company under or subject to this chapter; or
 - (b) a low-profit limited liability company under or subject to this chapter.
- (5)
 - (a) "Distribution" means a direct or indirect transfer by a company of money or other property, except:
 - (i) an interest in the company; or
 - (ii) incurrence of indebtedness by a company, to or for the benefit of members in the company in respect of any interest in the company.
 - (b) "Distribution" does not include amounts constituting:
 - (i) reasonable compensation for present or past services; or
 - (ii) reasonable payments made in the ordinary course of business pursuant to a bona fide retirement plan or other benefits program.
- (6) "Division" means the Division of Corporations and Commercial Code of the Utah Department of Commerce.
- (7) "Entity" includes:
 - (a) a domestic or foreign corporation;
 - (b) a domestic or foreign nonprofit corporation;
 - (c) a company or foreign company;
 - (d) a profit or nonprofit unincorporated association;
 - (e) a business trust;
 - (f) an estate;
 - (g) a general partnership or a domestic or foreign limited partnership;
 - (h) a trust;
 - (i) a state;
 - (j) the United States; or
 - (k) a foreign government.
- (8)
 - (a) "Filed with the division" means that a statement, document, or report:
 - (i) complies with the requirements of Section 48-2c-207; and
 - (ii) is accepted for filing by the division.
 - (b) "Filed with the division" includes filing by electronic means approved by the division.
- (9) "Foreign company" means a person organized as a:
 - (a) limited liability company under a law other than the laws of this state; or

- (b) low-profit limited liability company under a law other than the laws of this state.
- (10) "Interest in the company" means a member's economic rights in a company including the right to receive:
 - (a) a distribution from the company; and
 - (b) a portion of the net assets of the company upon dissolution and winding up of the company.
- (11) "Low-profit limited liability company" means a company meeting the requirements of Section 48-2c-412.
- (12) "Manager" means a person elected or otherwise designated by the members to manage a manager-managed company pursuant to Part 8, Management.
- (13) "Manager-managed company" means a company whose management is vested in managers pursuant to Part 8, Management.
- (14) "Member" means a person with:
 - (a) an ownership interest in a company; and
 - (b) the rights and obligations specified under this chapter.
- (15) "Member-managed company" means a company whose management is vested in its members pursuant to Part 8, Management.
- (16)
 - (a) "Operating agreement" means a written agreement of the members:
 - (i) concerning the business or purpose of the company and the conduct of its affairs; and
 - (ii) which complies with Part 5, Operating Agreements.
 - (b) "Operating agreement" includes a written amendment agreed to by all members or other writing adopted in any other manner as may be provided in the operating agreement.
- (17) "Person" means an individual or entity.
- (18) "Proceeding" means an administrative, judicial or other trial, hearing, or other action, whether civil, criminal, or investigative, the result of which may be that a court, arbitrator, or governmental agency may enter a judgment, order, decree, or other determination which, if not appealed or reversed, would be binding upon any person subject to the jurisdiction of that court, arbitrator, or governmental agency.
- (19) "Professional services" is as defined in Part 15, Professions.
- (20) "Profits interest" means that portion of the company's profits to be allocated to an individual member upon an allocation of profits.
- (21) "Profits interests" or "interests in profits" with respect to a company means the total interests of all of the company's members in the company's profits.
- (22) "Signed," "signs," or "signature" means:
 - (a) a manual signature or authorized facsimile of the signature; or
 - (b) an electronic signature approved by the division.
- (23) "State" means:
 - (a) a state, territory, or possession of the United States;
 - (b) the District of Columbia; or
 - (c) the Commonwealth of Puerto Rico.
- (24) "Tribal limited liability company" means a limited liability company:
 - (a) formed under the law of a tribe; and
 - (b) that is at least 51% owned or controlled by the tribe.
- (25) "Tribe" means a tribe, band, nation, pueblo, or other organized group or community of Indians, including an Alaska Native village, that is legally recognized as eligible for and is consistent with a special program, service, or entitlement provided by the United States to Indians because of their status as Indians.