

15 AAC 55.900(b) is amended by adding a new paragraph to read:

(25) “affiliated” means, with respect to two persons or entities, characterized by a relationship in which

(A) one is a subsidiary of the other;

(B) both are subsidiaries of a common parent;

(C) one manages the other;

(D) one owns more than 10 percent of the voting interests of the other;

(E) one is a variable interest entity in which the other holds a pecuniary interest; for purposes of this subparagraph, “variable interest entity” means a person or entity for which analysis of voting interest, and the holdings of those voting interest, is not effective in determining whether a controlling financial interest exists because the entity does not have adequate equity capital or the equity instruments do not have the normal characteristics of equity that provide its holders with a potential controlling financial interest, including situations where the equity investments at risk are not sufficient to permit the entity to finance its activities without additional subordinated financial support provided by any parties, including the equity holders;

(F) one is designed so that substantially all of its activities involve or are conducted on behalf of the other;

(G) one guarantees a debt or asset of the other;

(H) one is restricted from transferring or encumbering an asset or interest or from engaging in a business transaction or activity without the approval of the other; or

(I) one, directly or indirectly through one or more intermediaries, otherwise controls or is controlled by the other or is controlled in common with the other; for purposes of this subparagraph, “control” means to exert directly or indirectly the power to direct or cause the direction of the management and policies of a person or entity through ownership, by contract, or otherwise.