Senate Engrossed House Bill

**FILED**
**JANICE K. BREWER**
**SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

**CHAPTER 113**

# HOUSE BILL 2176

AN ACT

AMENDING SECTIONS 10-122, 10-1623, 29-604, 29-605, 29-632, 29-634, 29-635, 29-786, 29-802, 29-807 AND 29-851, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 29-605.01; REPEALING SECTIONS 29-804 AND 29-805, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 29-804 AND 29-805; AMENDING TITLE 29, CHAPTER 4, ARTICLE 11, ARIZONA REVISED STATUTES, BY ADDING SECTION 29-841.01; RELATING TO THE ARIZONA CORPORATION COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 10-122, Arizona Revised Statutes, is amended to read:

10-122. Filing, service and copying fees; public access fund; expedited report filing and access

A. The commission shall collect and deposit, pursuant to sections 35-146 and 35-147, the following fees when the documents described in this subsection are delivered to it for filing or issuance:

| | Document | Fee |
|---|---|---|
| 1. | Articles of incorporation | $50 |
| 2. | Application for use of indistinguishable name | 10 |
| 3. | Application for reserved name | 10 |
| 4. | Notice of transfer of reserved name | 10 |
| 5. | Application for registered name | 10 |
| 6. | Application for renewal of registered name | 10 |
| 7. | Agent's statement of resignation | 10 |
| 8. | Amendment of articles of incorporation | 25 |
| 9. | Restatement of articles of incorporation with amendment of articles | 25 |
| 10. | Articles of merger or share exchange | 100 |
| 11. | Articles of dissolution | 25 |
| 12. | Articles of domestication | 100 |
| 13. | Articles of revocation of dissolution | 25 |
| 14. | Application for reinstatement following administrative dissolution, in addition to other fees and penalties due | 100 |
| 15. | Application for authority | 150 |
| 16. | Application for withdrawal | 25 |
| 17. | Annual report | 45 |
| 18. | Articles of correction | 25 |
| 19. | Application for certificate of good standing | 10 |
| 20. | Any other document required or permitted to be filed by chapters 1 through 15 of this title | 25 |

B. The commission shall collect a fee of twenty-five dollars each time process is served on it under chapters 1 through 17 of this title. The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.

C. The commission shall charge and collect a reasonable fee for copying documents on request, provided the fee does not exceed the cost of providing the service as determined by the commission. The commission shall also charge a reasonable fee for certifying the copy of a filed document, provided the fee does not exceed the cost of providing the service as determined by the commission.

D. A penalty of one hundred dollars payable in addition to other fees accrues and is payable if a foreign corporation fails to file an amendment, restated articles that include an amendment, or articles of merger within sixty days of the time of filing in the jurisdiction in which the corporation is domiciled.

E. One-third of the filing fees for the annual report of domestic and foreign corporations paid pursuant to subsection A, paragraph 17 of this section shall be deposited in the Arizona arts trust fund established by section 41-983.01.

F. A public access fund is established consisting of the monies received pursuant to paragraphs 2, 3 and 4 of this subsection AND SECTION 29-851, SUBSECTION B. Monies in the fund are subject to legislative appropriation. The following provisions apply to the fund:

1. The commission shall administer the fund and spend monies in the fund to purchase, install and maintain an improved data processing system on the premises of the commission and for a part of the general administrative and legal expenses of the commission. The data processing system shall be designed to allow direct, on-line access by any person at a remote location to all public records that are filed with the commission pursuant to this title AND TITLE 29, CHAPTER 4.

2. The commission shall provide for and establish an expedited service for the filing of all documents and services provided pursuant to this title as follows:

(a) The expedited filing shall be a priority ~~same day~~ service ~~effected in a fast and efficient manner~~ TO BE COMPLETED AS SOON AS POSSIBLE AFTER THE DOCUMENTS ARE DELIVERED TO THE COMMISSION.

~~(b) The commission shall charge a fee for expedited services, including those requested by telefacsimile transmission. This fee is in addition to any other fees provided by law, including those in this section. The fee for expedited services shall be set by the commission to cover the cost of the service.~~

(b) IN ADDITION TO ANY OTHER FEES REQUIRED BY THIS SECTION OR ANY OTHER LAW, THE COMMISSION SHALL CHARGE A FEE OF THIRTY-FIVE DOLLARS FOR EXPEDITED SERVICES, INCLUDING THOSE REQUESTED BY FAX.

3. The commission may charge persons who access the commission's data processing system from remote locations and persons requesting special computer generated printouts, reports and tapes a reasonable fee that does not exceed the cost of the time, equipment and personnel necessary to provide this service or product as determined by the commission.

4. In addition to any fee charged pursuant to this section, the commission may charge and collect the following fees to help defray the cost of the improved data processing system:

(a) Filing articles of incorporation of a domestic corporation, ten dollars.

(b) Filing an application of a foreign corporation for authority to transact business in this state, twenty-five dollars.

5. All monies received pursuant to paragraphs 2, 3 and 4 of this subsection AND SECTION 29-851, SUBSECTION B, shall be deposited, pursuant to sections 35-146 and 35-147, in the public access fund. The commission shall use the monies deposited in the fund for the purposes provided in this section. Fees charged pursuant to this section are exempt from section 39-121.03, subsection A, paragraph 3, relating to a charge for value of a reproduction on the commercial market. Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations, except that any unencumbered monies in excess of two hundred thousand dollars at the end of each fiscal year revert to the state general fund.

6. When sufficient monies have been collected pursuant to paragraphs 2, 3 and 4 of this subsection AND SECTION 29-851, SUBSECTION B, to pay for the purchase and installation of the data processing system, the commission shall not charge and collect the fees prescribed in paragraph 4 of this subsection.

Sec. 2. Section 10-1623, Arizona Revised Statutes, is amended to read:

10-1623. <u>Statement of bankruptcy or receivership; interrogatories before subsequent incorporation; violation; classification; definitions</u>

A. On the filing of a petition for bankruptcy or the appointment of a receiver for any corporation, the corporation shall deliver a statement to the commission listing:

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or the appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder.

2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of the bankruptcy or receivership of the other corporation.

3. If the answer in paragraph 2 of this subsection is in the affirmative, for each such corporation the following information:

(a) Name and address.

(b) States in which it:

(i) Was incorporated.

(ii) Transacted business.

(c) Dates of operation.

B. The commission shall maintain a suitably indexed list of all such persons. The index is a public record of the commission for purposes of title 39.

C. On receipt for filing of articles of incorporation of a new corporation or application for authority to transact business by a foreign corporation, the commission shall determine whether any person proposed as

an officer, director, trustee, incorporator or major stockholder of the new or foreign corporation has been involved two or more times in a corporate bankruptcy, receivership, revocation, administrative dissolution or judicial dissolution commenced by any state. If so, the commission ~~shall~~ MAY direct detailed interrogatories to the persons requiring any additional relevant information deemed necessary by the commission and at the same time shall provide public notice of the interrogatory procedure. Any person may request additional interrogatories or may provide additional information to the commission. The interrogatories shall be completely answered within thirty days after mailing. With respect to corporations incorporated or seeking authority to transact business, articles of incorporation or application for authority shall not be filed until all outstanding interrogatories have been answered to the satisfaction of the commission.

D. Any applicant for filing articles of incorporation or authority to transact business who is dissatisfied with a determination of the commission or any other proceeding under this section may demand and the commission or its designee shall convene a public hearing at the county seat of the county of the corporate headquarters of the proposed corporation. The commission shall give public notice of the hearing at least twenty days before the hearing by publication in a newspaper of general circulation in any county in which a relevant prior bankruptcy or receivership occurred.

E. The commission shall provide the attorney general with a copy of statements furnished pursuant to subsection A and answers to interrogatories propounded pursuant to subsection C on a quarterly updated basis.

F. Any person or corporation failing to comply with the requirements of this section is guilty of a class 1 misdemeanor. Any person making a false statement or giving false information pursuant to this section is guilty of a class 5 felony.

G. In this section:

1. "Controlling" includes the total shares of stock issued to a husband and wife and their relatives to the first degree of consanguinity.

2. "Major stockholder" means a shareholder possessing or controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or membership interest in the corporation.

Sec. 3. Section 29-604, Arizona Revised Statutes, is amended to read:

29-604. <u>Known place of business and statutory agent to be maintained</u>

A. A limited liability company shall appoint and continuously maintain in this state:

1. ~~A registered office that may, but need not, be the same as its place of business~~ A KNOWN PLACE OF BUSINESS THAT MAY BE THE ADDRESS OF ITS STATUTORY AGENT.

2. A statutory agent for service of process on the limited liability company that is either an individual resident of this state, a domestic

corporation, a limited liability company or a foreign corporation or limited liability company authorized to transact business in this state.

B. Unless the statutory agent signed the document making the appointment, the appointment of a statutory agent or a successor statutory agent on whom process may be served is not effective until the agent delivers a statement in writing to the commission accepting the appointment.

Sec. 4. Section 29-605, Arizona Revised Statutes, is amended to read:

29-605. Change of known place of business, statutory agent or statutory agent's street address

A. A limited liability company may change its ~~registered office~~ KNOWN PLACE OF BUSINESS or statutory agent, or both, by delivering to the commission a statement setting forth:

1. The name of the limited liability company.

2. The address of its current ~~registered office~~ KNOWN PLACE OF BUSINESS.

3. If the address of its ~~registered office~~ KNOWN PLACE OF BUSINESS is to be changed, the NEW address to which the ~~registered office~~ KNOWN PLACE OF BUSINESS is to be changed.

4. The name and STREET address of its current statutory agent.

5. If its statutory agent or the statutory agent's STREET address is to be changed, the name and STREET address of its successor statutory agent or the statutory agent's new STREET address.

B. The statement required by subsection A of this section shall be executed by either a manager of the limited liability company if management of the limited liability company is vested in one or more managers or a member of the limited liability company if management of the limited liability company is reserved to the members. The change of address of the ~~registered office~~ KNOWN PLACE OF BUSINESS or statutory agent is effective on delivery of the statement to the commission. The appointment of a new statutory agent is effective on delivery of the statement to the commission and on receipt by the commission of evidence that the new statutory agent accepted ~~his~~ THE appointment pursuant to section 29-604, subsection B.

C. A statutory agent of a limited liability company may resign as agent by delivering a written executed notice to the commission. The commission shall mail a copy of the notice to the limited liability company at its ~~registered office~~ KNOWN PLACE OF BUSINESS. The appointment of the agent terminates ~~thirty~~ THIRTY-ONE days after receipt of the notice by the commission or on the appointment of a new statutory agent, whichever occurs first.

D. If a statutory agent changes its STREET address to another place in this state, it may change the address by delivering a statement to the commission as required by subsection A of this section, except that it need be signed only by the statutory agent. The statement shall recite that a copy of it has been mailed to the limited liability company.

Sec. 5. Title 29, chapter 4, article 1, Arizona Revised Statutes, is amended by adding section 29-605.01, to read:

29-605.01. Change of address of a member or manager

A. A LIMITED LIABILITY COMPANY MAY CHANGE THE ADDRESS OF ONE OR MORE OF ITS MANAGERS OR MEMBERS BY DELIVERING TO THE COMMISSION A STATEMENT SETTING FORTH:

1. THE NAME OF THE LIMITED LIABILITY COMPANY.

2. THE CURRENT ADDRESS OF THE MEMBERS OR MANAGERS.

3. THE NEW ADDRESS OF THE MEMBERS OR MANAGERS.

B. THE STATEMENT REQUIRED BY SUBSECTION A SHALL BE EXECUTED BY EITHER:

1. A MANAGER OF THE LIMITED LIABILITY COMPANY IF MANAGEMENT OF THE LIMITED LIABILITY COMPANY IS VESTED IN ONE OR MORE MANAGERS.

2. A MEMBER OF THE LIMITED LIABILITY COMPANY IF MANAGEMENT OF THE LIMITED LIABILITY COMPANY IS RESERVED TO THE MEMBERS.

Sec. 6. Section 29-632, Arizona Revised Statutes, is amended to read:

29-632. Articles of organization

A. The articles of organization shall ~~set forth~~ STATE:

1. The name of the limited liability company.

2. ~~The address of the registered office and the name and business, residence or mailing address~~ THE NAME, STREET ADDRESS IN THIS STATE AND SIGNATURE of the agent for service of process required to be maintained by section 29-604.

3. THE ADDRESS OF THE COMPANY'S KNOWN PLACE OF BUSINESS IN THIS STATE, IF DIFFERENT FROM THE STREET ADDRESS OF THE COMPANY'S STATUTORY AGENT.

~~3.~~ 4. The latest date, if any, on which the limited liability company must dissolve.

~~4.~~ 5. Either of the following statements:

(a) Management of the limited liability company is vested in a manager or managers.

(b) Management of the limited liability company is reserved to the members.

~~5.~~ 6. The name and ~~business, residence or mailing~~ address of either of the following:

(a) If management of the limited liability company is vested in a manager or managers, each person who is a manager of the limited liability company and each member who owns a twenty per cent or greater interest in the capital or profits of the limited liability company.

(b) If management of the limited liability company is reserved to the members, each person who is a member of the limited liability company.

B. The articles of organization may include any other provision that is consistent with law, including any provisions under this chapter that are required or permitted to be set out in an operating agreement of the limited liability company.

C. It is not necessary to set out in the articles of organization any of the powers enumerated in this chapter.

Sec. 7. Section 29-634, Arizona Revised Statutes, is amended to read:

29-634. Filing with the commission

A. ~~The original signed copy of the~~ TWO COPIES OF THE SIGNED ORIGINAL articles of organization or any other document required to be filed pursuant to this chapter shall be delivered to the commission. If the commission determines that the documents conform to the filing provisions of this chapter, it shall, when all ~~required filing~~ fees REQUIRED PURSUANT TO SECTION 29-851 have been paid:

1. Endorse, stamp or attach on the signed original and duplicate copy the word "filed" and the date and time of its acceptance for filing.

2. Retain the signed original in the commission's files.

3. Return a duplicate copy to the person who filed it or the person's representative.

B. If the commission is unable to make the determination required for filing by subsection A OF THIS SECTION at the time any documents are delivered for filing, the documents are deemed to have been filed at the time of delivery if the commission subsequently determines either of the following:

1. The documents as delivered conform to the filing provisions of this chapter.

2. Within twenty days after notification of nonconformance is given by the commission to the person who delivered the documents for filing or the person's representative, the documents are brought into conformance.

C. A document may specify a delayed effective time or date, or both, and is effective at that specified time and date. If the document specifies a delayed effective date but does not specify the time, the document is effective on the specified date at 12:01 a.m. mountain standard time. A delayed effective date for a document may not be later than the ninetieth day after the date the document is delivered to the commission for filing.

D. If the filing and determination requirements of this chapter are not satisfied completely within the time prescribed in subsection B, paragraph 2 OF THIS SECTION, the documents shall not be filed.

Sec. 8. Section 29-635, Arizona Revised Statutes, is amended to read:

29-635. Formation of limited liability company

A. Except as provided in section 29-634, subsection C, a limited liability company is formed when the articles of organization are delivered to the commission for filing, even if the commission is unable to make the determination required for filing by section 29-634, subsection A at the time of delivery. If the articles of organization, as delivered to the commission, do not conform to the filing provisions of this chapter and are not brought into conformance within the time period prescribed by section 29-634, subsection B, paragraph 2, the existence of the limited liability company terminates at the end of the time period.

B. A copy of the articles of organization that is filed with the commission and that is stamped "filed" and marked with the filing date is conclusive evidence that all conditions precedent required to be performed by the organizers have been complied with and that the limited liability company has been legally organized and formed under this chapter. A limited liability company continues perpetually unless otherwise provided in its articles of organization or operating agreement or until the limited liability company is dissolved and terminated in accordance with this chapter.

C. Within sixty days after such filing there shall be published in a newspaper of general circulation in the county of the known place of business, for three consecutive publications, a notice of the filing of such articles of organization consisting of the information required in section 29-632, subsection A, paragraphs 1, 2, ~~4 and~~ 3, 5 AND 6. An affidavit evidencing publication shall be filed within ninety days after filing of the articles of organization.

Sec. 9. Section 29-786, Arizona Revised Statutes, is amended to read:

29-786. Administrative dissolution

A. The commission may administratively dissolve a limited liability company in the manner provided by this section if THE LIMITED LIABILITY COMPANY either:

1. ~~The limited liability company~~ Fails to amend its articles of organization as required by section 29-633, subsection B.

2. ~~The limited liability company~~ Has failed to make any publication required by this chapter and has failed to file an affidavit of publication thereof required by this chapter.

3. ~~The limited liability company~~ Is without a statutory agent or ~~registered office~~ KNOWN PLACE OF BUSINESS in this state for at least sixty days.

4. ~~The limited liability company~~ Does not notify the commission within sixty days after its statutory agent or ~~registered office~~ KNOWN PLACE OF BUSINESS has changed or within sixty days after its statutory agent has resigned.

5. ~~The limited liability company~~ Fails to respond to interrogatories as prescribed in section 29-612.

6. FAILS TO PAY ANY FEES OR PENALTIES REQUIRED PURSUANT TO THIS CHAPTER WITHIN SIXTY DAYS AFTER THE FEES OR PENALTIES ARE DUE.

B. If the commission determines that one or more grounds exist under subsection A of this section for dissolving a limited liability company, it shall give written notice of its determination by mail addressed to the statutory agent of the limited liability company, or if the limited liability company fails to appoint and maintain a statutory agent, addressed to the ~~registered office~~ KNOWN PLACE OF BUSINESS required to be maintained pursuant to section 29-604, subsection A, paragraph 1.

C. If the limited liability company does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the commission that each ground determined by the commission does not exist within sixty days after service of the notice, the commission shall administratively dissolve the limited liability company by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The commission shall file the original of the certificate and mail a copy to the limited liability company addressed to its statutory agent, or if the limited liability company fails to appoint and maintain a statutory agent, addressed to the ~~registered office~~ KNOWN PLACE OF BUSINESS required to be maintained pursuant to section 29-604, subsection A, paragraph 1.

D. A limited liability company administratively dissolved pursuant to this section continues in existence but may not carry on any business except as necessary to wind up and liquidate its business and affairs under section 29-782, subsection B.

E. A limited liability company administratively dissolved under this section may apply to the commission for reinstatement within three years after the effective date of dissolution. The application shall both:

1. Recite the name of the limited liability company and the effective date of its administrative dissolution.

2. State either that the ground or grounds for dissolution did not exist or that the ground or grounds have been eliminated.

F. If the commission determines that the application contains the information required by subsection E of this section, and that the information is correct, it shall cancel the certificate of dissolution, prepare a certificate of reinstatement that recites this determination and the effective date of reinstatement, file the original of the certificate and mail a copy to the limited liability company addressed to its statutory agent.

G. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution and the limited liability company resumes carrying on its business as if the administrative dissolution had never occurred.

H. The administrative dissolution of a limited liability company does not terminate the authority of a statutory agent.

I. A limited liability company that has been administratively dissolved pursuant to this section may bring an action against the commission in superior court to review the commission's refusal to reinstate the limited liability company. The action by the limited liability company shall be brought within six months after the commission's refusal becomes final. The superior court shall hear and determine the action as a trial de novo. In any such action the burden of proof shall be on the party adverse to the commission.

Sec. 10. Section 29-802, Arizona Revised Statutes, is amended to read:

29-802. Certificate of registration; application

A. Before transacting business in this state, a foreign limited liability company shall obtain a certificate of registration. An applicant for a certificate of registration shall pay the required filing fee and shall submit to the commission an application for registration as a foreign limited liability company that is signed and acknowledged on its behalf by any manager, member or other authorized agent and that states:

1. The name of the foreign limited liability company and, if ~~different, the name under which it proposes to register and transact business in this state~~ THE COMPANY'S REAL NAME IS UNAVAILABLE OR DOES NOT SATISFY THE REQUIREMENTS OF SECTION 29-602, A FICTITIOUS NAME ADOPTED BY THE COMPANY PURSUANT TO SECTION 29-804.

2. The state and date of its formation.

3. The purpose of the foreign limited liability company or the general character of the business it proposes to transact in this state.

4. The name and STREET address of the ~~proposed agent for service of process on the foreign limited liability company~~ FOREIGN LIMITED LIABILITY COMPANY'S STATUTORY AGENT IN THIS STATE.

~~5. That the commission is appointed the agent of the foreign limited liability company for service of process if either of the following occurs:~~

~~(a) An agent has not been appointed under paragraph 4 or, if appointed, the agent's authority has been revoked.~~

~~(b) The agent cannot be found or served with the exercise of reasonable diligence.~~

~~6.~~ 5. The address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign limited liability company.

6. EITHER OF THE FOLLOWING:

(a) MANAGEMENT OF THE FOREIGN LIMITED LIABILITY COMPANY IS VESTED IN A MANAGER OR MANAGERS.

(b) MANAGEMENT OF THE FOREIGN LIMITED LIABILITY COMPANY IS RESERVED TO THE MEMBERS.

7. THE NAME AND ADDRESS OF EITHER OF THE FOLLOWING:

(a) IF MANAGEMENT OF THE FOREIGN LIMITED LIABILITY COMPANY IS VESTED IN A MANAGER OR MANAGERS, EACH PERSON WHO IS A MANAGER OF THE FOREIGN LIMITED LIABILITY COMPANY AND EACH MEMBER WHO OWNS A TWENTY PER CENT OR GREATER INTEREST IN THE CAPITAL OR PROFITS OF THE FOREIGN LIMITED LIABILITY COMPANY.

(b) IF MANAGEMENT OF THE FOREIGN LIMITED LIABILITY COMPANY IS RESERVED TO THE MEMBERS, EACH PERSON WHO IS A MEMBER OF THE FOREIGN LIMITED LIABILITY COMPANY.

B. AN APPLICATION THAT A FOREIGN LIMITED LIABILITY COMPANY SUBMITS TO THE COMMISSION UNDER THIS SECTION SHALL INCLUDE PROOF THAT THE COMPANY EXISTED IN THE STATE OR COUNTRY IN WHICH THE COMPANY ORGANIZED WITHIN SIXTY DAYS OF FILING THE APPLICATION.

Sec. 11. Repeal

Sections 29-804 and 29-805, Arizona Revised Statutes, are repealed.

Sec. 12. Title 29, chapter 4, article 9, Arizona Revised Statutes, is amended by adding new sections 29-804 and 29-805, to read:

29-804. Fictitious name of foreign limited liability company

A. IF THE NAME OF A FOREIGN LIMITED LIABILITY COMPANY IS UNAVAILABLE FOR USE IN THIS STATE OR DOES NOT SATISFY THE REQUIREMENTS OF SECTION 29-602, TO OBTAIN OR MAINTAIN A GRANT OF AUTHORITY TO TRANSACT BUSINESS IN THIS STATE THE FOREIGN LIMITED LIABILITY COMPANY SHALL ADOPT AND USE A FICTITIOUS NAME THAT SATISFIES THE REQUIREMENTS OF SECTION 29-602.

B. A FOREIGN LIMITED LIABILITY COMPANY THAT ADOPTS A FICTITIOUS NAME PURSUANT TO THIS SECTION SHALL INCLUDE A COPY OF THE COMPANY'S RESOLUTION ADOPTING THE FICTITIOUS NAME WITH THE COMPANY'S APPLICATION FOR A CERTIFICATE OF REGISTRATION UNDER SECTION 29-802.

29-805. Amendment or restatement to foreign articles of organization

IF, AFTER APPLYING FOR OR OBTAINING A CERTIFICATE OF REGISTRATION PURSUANT TO SECTION 29-802, A FOREIGN LIMITED LIABILITY COMPANY AMENDS OR RESTATES ITS ARTICLES OF ORGANIZATION BY MERGER OR OTHERWISE IN THE STATE OR COUNTRY IN WHICH THE COMPANY IS ORGANIZED, THE FOREIGN LIMITED LIABILITY COMPANY SHALL DELIVER TO THE COMMISSION A COPY OF THE AMENDMENT OR RESTATEMENT WITHIN SIXTY DAYS OF THE EFFECTIVE DATE OF THE AMENDMENT OR RESTATEMENT.

Sec. 13. Section 29-807, Arizona Revised Statutes, is amended to read:

29-807. Revocation of certificate of registration of foreign limited liability company

A. The certificate of registration of a foreign limited liability company to transact business in this state may be revoked by the commission in the manner provided by subsection B of this section if any of the following events occurs:

1. The foreign limited liability company fails to:

(a) Pay any fees or penalties prescribed by this chapter WITHIN SIXTY DAYS AFTER THE FEES OR PENALTIES ARE DUE.

(b) Appoint and maintain a statutory agent as required by this chapter.

(c) File a report on a change in the name or business address of the statutory agent.

(d) File with the commission any amendment to its application for a certificate of registration as specified in section 29-805.

(e) Respond to interrogatories as prescribed in section 29-612.

2. A misrepresentation has been made of any material matter in any application, report, affidavit or other document submitted by the foreign limited liability company pursuant to this chapter.

B. The commission shall not revoke a certificate of registration of a foreign limited liability company pursuant to subsection A of this section unless the commission gives the foreign limited liability company at least sixty days' notice of the revocation by mail addressed to its statutory agent in this state, or if the foreign limited liability company fails to appoint and maintain a statutory agent in this state, addressed to the office required to be maintained pursuant to section 29-802, SUBSECTION A, paragraph ~~6~~ 5. The notice shall identify the cause for the revocation of the certificate of registration. The authority of the foreign limited liability company to transact business in this state ceases on the expiration of the sixty day period unless the foreign limited liability company cures the failure stated in the notice.

Sec. 14. Title 29, chapter 4, article 11, Arizona Revised Statutes, is amended by adding section 29-841.01, to read:

29-841.01. Professional limited liability company formation

A. ONE OR MORE PERSONS MAY FORM A PROFESSIONAL LIMITED LIABILITY COMPANY BY FILING WITH THE COMMISSION TWO COPIES OF THE SIGNED ORIGINAL ARTICLES OF ORGANIZATION THAT, IN ADDITION TO THE INFORMATION REQUIRED UNDER SECTION 29-632, SPECIFY BOTH OF THE FOLLOWING:

1. THAT THE COMPANY IS A PROFESSIONAL LIMITED LIABILITY COMPANY.

2. THE PROFESSIONAL SERVICE OR SERVICES THAT THE COMPANY IS ORGANIZED TO PROVIDE.

B. A LIMITED LIABILITY COMPANY ORGANIZED UNDER A LAW OF THIS STATE OTHER THAN THIS ARTICLE MAY ELECT PROFESSIONAL LIMITED LIABILITY COMPANY STATUS BY AMENDING ITS ARTICLES OF ORGANIZATION PURSUANT TO SECTION 29-633 TO COMPLY WITH SUBSECTION A OF THIS SECTION AND SECTION 29-845.

Sec. 15. Section 29-851, Arizona Revised Statutes, is amended to read:

29-851. Filing, service and copying fees; expedited filing and services

A. The commission shall charge and collect in advance and deposit, pursuant to sections 35-146 and 35-147, the following fees:

1. For filing the initial articles of organization, fifty dollars.

2. For filing an application for registration of a foreign limited liability company, one hundred fifty dollars.

3. For amending the articles of organization, twenty-five dollars.

4. For filing articles of termination and issuing a certificate of termination, thirty-five dollars.

5. For issuing a certificate for any purpose not otherwise provided for, ten dollars.

6. For filing a notice of winding up, twenty-five dollars.

7. For filing articles of merger, fifty dollars.

8. For furnishing written information on any limited liability company, ten dollars.

9. For furnishing a copy of any document or instrument, five dollars plus fifty cents per page.

10. For accepting an application for reservation of a name or for filing a notice of the transfer or cancellation of any name reservation, ten dollars.

11. ~~For filing a statement of change of address of registered office or statutory agent, or both,~~ Five dollars FOR FILING A STATEMENT OF CHANGE OF ADDRESS OF ONE OR MORE OF THE FOLLOWING:

(a) KNOWN PLACE OF BUSINESS.

(b) STATUTORY AGENT.

(c) MANAGER.

(d) MEMBER.

12. For any service of notice, demand or process on the commission as resident agent of a limited liability company, twenty-five dollars. This amount may be recovered as taxable costs by the party to the suit, action or proceeding causing the service to be made if the party prevails in the suit, action or proceeding.

13. FOR FILING ARTICLES OF CORRECTION, THE FEE PRESCRIBED IN SECTION 10-122, SUBSECTION A, PARAGRAPH 18.

14. FOR APPLICATION FOR REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION, IN ADDITION TO OTHER FEES AND PENALTIES DUE, THE FEE PRESCRIBED IN SECTION 10-122, SUBSECTION A, PARAGRAPH 14.

B. THE COMMISSION SHALL PROVIDE FOR AND ESTABLISH AN EXPEDITED SERVICE FOR THE FILING OF ALL DOCUMENTS AND SERVICES PROVIDED PURSUANT TO THIS CHAPTER AS FOLLOWS:

1. THE EXPEDITED FILING SHALL BE A PRIORITY SERVICE TO BE COMPLETED AS SOON AS POSSIBLE AFTER THE DOCUMENTS ARE DELIVERED TO THE COMMISSION.

2. IN ADDITION TO ANY OTHER FEES REQUIRED BY THIS SECTION OR ANY OTHER LAW, THE COMMISSION SHALL CHARGE A FEE OF THIRTY-FIVE DOLLARS FOR EXPEDITED SERVICES, INCLUDING THOSE REQUESTED BY FAX.

C. ALL MONIES RECEIVED PURSUANT TO SUBSECTION B OF THIS SECTION SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE PUBLIC ACCESS FUND ESTABLISHED PURSUANT TO SECTION 10-122, SUBSECTION F.

**APPROVED BY THE GOVERNOR APRIL 19, 2004.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2004.**