House Engrossed

FILED

JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

CHAPTER 4

HOUSE BILL 2111

AN ACT

AMENDING SECTIONS 10-120, 10-122, 10-127, 10-203, 10-224, 10-1006, 10-1007, 10-1008, 10-1105, 10-1503, 10-2020, 10-2079, 10-2145, 10-3120, 10-3122, 10-3203, 10-3224, 10-11006, 10-11007, 10-11008, 10-11105, 10-11107, 10-11403, 10-11503, 29-633, 29-635, 29-754, 29-782, 29-783, 29-802, 29-851 AND 29-855, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 29-614 AND 29-615; RELATING TO CORPORATIONS AND LIMITED LIABILITY COMPANIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 10-120, Arizona Revised Statutes, is amended to read:

10-120. Filing requirements

A. In order to qualify for filing by the commission, a document shall satisfy the requirements of this section and any other section of chapters 1 through 17 of this title that adds to or varies these requirements.

B. Chapters 1 through 17 of this title require or permit filing of the document in the office of the commission.

C. The document shall contain the information required by chapters 1 through 17 of this title. It may contain other information.

D. The document shall be typewritten or printed and shall be legible and capable of microfilm or other process reduction and subsequent reproduction as determined by the commission.

E. The document and any exhibits to the document shall be in the English language or accompanied by an English translation certified as accurate by or on behalf of the person causing the document to be delivered for filing.

F. The document shall be executed either:

1. By the chairman of the board of directors of a domestic or foreign corporation, by its president or by another of its officers.

2. If directors have not been selected or the corporation has not been formed, by an incorporator.

3. If the corporation is in the hands of any receiver, trustee or other court appointed fiduciary, by that fiduciary.

G. The document shall state the name of each person who signs it and the capacity in which each person signs. The document may but need not contain:

1. The corporate seal.

2. An attestation by the secretary or an assistant secretary.

3. An acknowledgment, verification or proof.

H. If the commission has prescribed a mandatory form for the document under section 10-121, the document shall be in or on the prescribed form.

I. Except as provided in subsection J of this section and sections 10-503 and 10-1509, the document shall be delivered to the office of the commission for filing and shall be accompanied by the correct ~~filing~~ fee and any other payment or penalty required by chapters 1 through 17 of this title or other law.

J. Notwithstanding subsection I of this section:

1. A person may deliver by means of a ~~telefacsimile~~ FAX OR ELECTRONIC transmission a document that is required or permitted by chapters 1 through 17 of this title to be delivered to the commission for filing. The person shall retain the original document for at least twelve months in the books and records of the corporation or of the person making the delivery for filing, if the delivery is not made on behalf of the corporation, and the

person shall make the original document available for inspection and copying by the commission on reasonable notice.

2. A document that is reproduced at a ~~telefacsimile~~ FAX machine OR THROUGH AN ELECTRONIC TRANSMISSION at the commission ~~as a result of a telefacsimile transmission~~ is deemed delivered to the commission:

(a) On the date of the reproduction if reproduced on or before 5:00 p.m. mountain standard time and if the day is a business day of the commission.

(b) On the next succeeding business day if reproduced after 5:00 p.m. mountain standard time or on a day that is not a business day of the commission.

3. On the request of the person transmitting the document, the commission shall confirm by ~~telefascimile~~ FAX OR ELECTRONIC transmission or other writing the receipt of the document.

4. A person shall pay and deliver to the commission any fee or penalty imposed by section 10-122 or by any other section of chapters 1 through 17 of this title with respect to delivery of a document to the commission for filing in the manner as the commission determines.

5. If the commission determines that the legality of the document reproduced by means of a ~~telefacsimile~~ FAX OR ELECTRONIC transmission is not sufficient, the commission may require that either:

(a) The document be delivered to the commission by means of an additional ~~telefacsimile~~ FAX OR ELECTRONIC transmission.

(b) An original document be delivered to the commission by means other than a ~~telefacsimile~~ FAX OR ELECTRONIC transmission.

6. The commission shall not file a document if any required amount is not paid as provided in paragraph 4 of this subsection or if any required additional counterpart is not delivered as provided in paragraph 5 of this subsection.

7. A reproduced document delivered under this subsection is deemed to satisfy any requirement in chapters 1 through 17 of this title for delivery of an original and one or more copies of the document. A document subject to this paragraph is deemed to have been delivered on the date on which it was delivered as provided in paragraph 2 of this subsection only if the first reproduction at a minimum permits identification of the corporation to which the document pertains and of the general nature of the document and the commission subsequently determines that paragraphs 4 and 5 of this subsection and any other requirements of chapters 1 through 17 of this title regarding the document have been satisfied.

8. THE COMMISSION MAY PRESCRIBE THE FORMAT OF AN ELECTRONIC DOCUMENT DELIVERED TO THE COMMISSION PURSUANT TO THIS SUBSECTION.

Sec. 2. Section 10-122, Arizona Revised Statutes, is amended to read:

10-122. Filing, service and copying fees; expedited report filing and access; same day and next day services; posted wait times; advance monies; definition

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

	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~~ 17 of this title	25

B. The commission shall collect a NONREFUNDABLE 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. The penalty collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

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. 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:

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 NONREFUNDABLE fee for expedited services, including those requested by fax. The fee shall be determined by a supermajority vote of the commissioners.

3. The commission may provide for and establish same day and next day services for the filing of any documents and services provided pursuant to this title as follows:

(a) The same day and next day services shall not be offered unless all expedited services filed pursuant to this title are processed within a maximum of five business days and all other documents and services filed pursuant to this title are processed within a maximum of thirty business days.

(b) The commission shall suspend same day or next day service if the commission determines that it does not have the necessary resources to perform the service within the established time period.

(c) In addition to any other fees required by this section or any other law, the commissioners may charge a NONREFUNDABLE fee for the same day or next day service or both. The fee shall be determined by a supermajority vote of the commissioners.

4. The commission shall publicly post the current wait times for processing regular, expedited and same day and next day services.

G. The commission may charge persons who access the commission's data processing system that is maintained pursuant to section 10-122.01 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.

H. Except as provided in section 10-122.01, subsection B, paragraph 3, in addition to any fee charged pursuant to this section, the commission may charge and collect the following NONREFUNDABLE fees to help defray the cost

of the improved data processing system that is maintained pursuant to section 10-122.01:

1. Filing articles of incorporation of a domestic corporation, ten dollars.

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

I. All monies received pursuant to subsections F, G and H of this section shall be deposited, pursuant to sections 35-146 and 35-147, in the public access fund established by section 10-122.01.

J. Fees charged pursuant to this section are exempt from section 39-121.03, subsection A, paragraph 3.

K. Any person may advance monies to the commission to pay fees required pursuant to this section for future filings and services. All monies received pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the money on deposit account in the public access fund established by section 10-122.01.

L. For the purposes of this section, "supermajority" means an affirmative vote of at least four commissioners.

Sec. 3. Section 10-127, Arizona Revised Statutes, is amended to read:

10-127. Evidentiary effect of copy of filed document

A stamp affixed to a copy of a document filed by the commission, bearing the signature of the executive director of the commission, which may be in facsimile OR ELECTRONIC FORM, and the seal of the commission, is conclusive evidence that the original document is on file with the commission.

Sec. 4. Section 10-203, Arizona Revised Statutes, is amended to read:

10-203. Incorporation

A. Unless a delayed effective date is specified in the articles of incorporation, incorporation occurs and the corporate existence begins when the articles of incorporation and certificate of disclosure are delivered to the commission for filing.

B. The commission's filing of the articles of incorporation and certificate of disclosure is conclusive proof that the incorporators satisfied all conditions precedent to incorporation except in a proceeding by the state to cancel or revoke the incorporation or involuntarily dissolve the corporation pursuant to chapter 14 of this title.

C. Subject to section 10-124, if the commission determines that the requirements of chapters 1 through 17 of this title for filing have not been met, the articles of incorporation and certificate of disclosure shall not be filed and the corporate existence terminates at the time the commission completes the determination. If the corporate existence is terminated pursuant to this subsection, sections 10-1405, 10-1406 and 10-1407 apply.

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of incorporation shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety

days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of incorporation.

Sec. 5. Section 10-224, Arizona Revised Statutes, is amended to read:

10-224. Recording and publication of articles of domestication

Within sixty days after THE COMMISSION HAS APPROVED THE filing OF the articles of domestication, A COPY OF the articles of domestication shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of domestication. If other laws require the domesticated corporation to record its articles of incorporation, the domesticated corporation shall also record the articles of domestication.

Sec. 6. Section 10-1006, Arizona Revised Statutes, is amended to read:

10-1006. Articles of amendment

A. A corporation amending its articles of incorporation shall deliver to the commission for filing articles of amendment setting forth:

1. The name of the corporation.

2. The text of each amendment adopted.

3. If an amendment provides for an exchange, reclassification or cancellation of issued shares, provisions for implementing the amendment if not contained in the amendment itself.

4. The date of each amendment's adoption.

5. If an amendment was adopted by the incorporators or board of directors without shareholder action, a statement to that effect and that shareholder action was not required.

6. If an amendment was approved by the shareholders:

(a) The designation of outstanding shares, number of outstanding shares, number of votes entitled to be cast by each voting group entitled to vote separately on the amendment and number of votes of each voting group indisputably represented at the meeting.

(b) Either the total number of votes cast for and against the amendment by each voting group entitled to vote separately on the amendment or the total number of undisputed votes cast for the amendment by each voting group and a statement that the number cast for the amendment by each voting group was sufficient for approval by that voting group.

B. Within sixty days after the COMMISSION HAS APPROVED THE filing, a copy of the articles of amendment shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of amendment.

Sec. 7. Section 10-1007, Arizona Revised Statutes, is amended to read:

10-1007. Restated articles of incorporation

A. A corporation's board of directors may restate its articles of incorporation at any time with or without shareholder action.

B. The restatement may include one or more amendments to the articles. If the restatement includes an amendment requiring shareholder approval, it shall be adopted as provided in section 10-1003.

C. If the board of directors submits a restatement for shareholder action, the corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with section 10-705. The notice shall also state that the purpose or one of the purposes of the meeting is to consider the proposed restatement and shall contain or be accompanied by a copy of the restatement that identifies any amendment or other change it would make in the articles.

D. A corporation restating its articles of incorporation shall deliver to the commission for filing articles of restatement setting forth the name of the corporation and the text of the restated articles of incorporation together with a certificate setting forth:

1. Whether the restatement contains an amendment to the articles requiring shareholder approval and, if it does not, that the board of directors adopted the restatement.

2. If the restatement contains an amendment to the articles requiring shareholder approval, the information required by section 10-1006.

E. Duly adopted restated articles of incorporation supersede the original articles of incorporation and all amendments to them.

F. The commission may certify restated articles of incorporation, as the articles of incorporation currently in effect, without including the certificate information required by subsection D of this section.

G. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of restatement shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after THE APPROVAL BY THE COMMISSION OF THE filing OF the articles of restatement.

Sec. 8. Section 10-1008, Arizona Revised Statutes, is amended to read:

10-1008. <u>Amendment pursuant to reorganization</u>

A. A corporation's articles of incorporation may be amended pursuant to this section without action by the board of directors or shareholders to carry out a plan of reorganization confirmed by an order or decree of a court of competent jurisdiction under a federal statute or a statute of this state if the articles of incorporation after amendment contain only provisions required or permitted by section 10-202.

B. Before the date of entry of a final decree in the reorganization proceeding, the individual or individuals designated by the plan shall deliver to the commission for filing articles of amendment setting forth all of the following:

1. The name of the corporation.

2. The text of each amendment contained in the plan of reorganization.

3. The date of the court's order or decree confirming the plan of reorganization containing the articles of amendment.

4. The title of the reorganization proceeding in which the order or decree was entered.

5. A statement that the court had jurisdiction of the proceeding under federal or state statute.

C. Shareholders of a corporation undergoing reorganization do not have dissenters' rights except as and to the extent provided in the reorganization plan.

D. This section does not apply after entry of a final decree in the reorganization proceeding even though the court retains jurisdiction of the proceeding for limited purposes unrelated to consummation of the reorganization plan.

E. Within sixty days after the COMMISSION HAS APPROVED THE filing, a copy of the articles of amendment shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of amendment.

Sec. 9. Section 10-1105, Arizona Revised Statutes, is amended to read:

10-1105. Articles of merger or share exchange; publication

A. After a plan of merger or share exchange is approved by the shareholders or adopted by the board of directors if shareholder approval is not required, the surviving or acquiring corporation shall deliver to the commission for filing both:

1. The plan of merger or share exchange.

2. Articles of merger or share exchange setting forth:

(a) The names of the corporations that were parties to the merger or share exchange.

(b) The name and address of the known place of business of the surviving or acquiring corporation.

(c) The name and address of the statutory agent of the surviving or acquiring corporation.

(d) Any amendments to the articles of incorporation of the surviving corporation.

(e) If shareholder approval was not required, a statement to that effect.

(f) If approval of the shareholders of one or more corporations party to the merger or share exchange was required:

(i) The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the plan as to each corporation.

(ii) Either the total number of votes cast for and against the plan by each voting group entitled to vote separately on the plan or the total number of undisputed votes cast for the plan separately by each voting group and a statement that the number cast for the plan by each voting group was sufficient for approval by that voting group.

B. A merger or share exchange takes effect at the effective time and date of the articles of merger or share exchange, as determined pursuant to section 10-123.

C. If the articles of merger include amendments to the articles of incorporation of the surviving corporation, the document required to be filed and published under this section shall be styled "articles of amendment and merger".

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of merger or share exchange shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of merger or share exchange.

Sec. 10. Section 10-1503, Arizona Revised Statutes, is amended to read:

10-1503. Application for authority to transact business

A. A foreign corporation may apply for authority to transact business in this state by delivering an application and a certificate of disclosure to the commission for filing. The certificate of disclosure shall contain the information set forth in section 10-202, subsection D and is subject to the requirements of section 10-202, subsection F. The application shall be executed by the corporation and shall set forth:

1. The name of the foreign corporation and, if its name is unavailable for use in this state, a corporate name that satisfies the requirements of section 10-1506.

2. The name of the state or country under whose law it is incorporated.

3. Its date of incorporation and period of duration.

4. The street address of its principal office in its state or country of incorporation.

5. The street address of the proposed known place of business of the corporation in this state and the name and street address of its proposed statutory agent in this state.

6. If its purpose or purposes are narrower than the transaction of any or all lawful business in which corporations may engage in the state or country under whose law it is incorporated, a statement of the limitations on its purpose.

7. The names and usual business addresses of its current directors and officers.

8. A statement of the aggregate number of shares that the corporation has authority to issue, itemized by classes, par value of shares, shares without par value and series, if any, within a class.

9. A statement of the aggregate number of issued shares itemized by classes, par value of shares, shares without par value and series, if any, within a class.

10. A brief statement of the character of business that the corporation initially intends actually to conduct in this state. This statement does not limit the character of business that the corporation ultimately conducts.

B. The foreign corporation shall deliver the application and the certificate of disclosure to the commission, together with a copy of its articles of incorporation, any amendments to the articles of incorporation and a certificate of existence or a document of similar import duly authenticated by the secretary of state or other official having custody of corporate records in the state or country under whose law it is incorporated, and the NONREFUNDABLE fees required by law ~~for filing the application~~.

C. After determining that the application sets forth the information required by this section, does not use as the name of the corporation in this state a name that is in violation of section 10-1506 and appears in all other respects to conform to the requirements of this article, the commission shall file the application. The date of filing shall be the date on which the corporation is granted authority to transact business in this state.

D. Within sixty days after THE COMMISSION HAS APPROVED THE filing, ~~the application~~ a copy of the application shall be published. An affidavit evidencing the publication shall be filed within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the application.

E. A foreign corporation authorized to transact business in this state is subject to section 10-1623.

Sec. 11. Section 10-2020, Arizona Revised Statutes, is amended to read:

10-2020. License and other fees; tax exemption

Each association shall pay ~~an~~ A NONREFUNDABLE annual license fee of ten dollars, but shall be exempt from all franchise or license taxes. ~~For filing articles of incorporation, each association shall pay ten dollars~~ EACH ASSOCIATION SHALL PAY A NONREFUNDABLE FEE OF TEN DOLLARS FOR FILING ARTICLES OF INCORPORATION~~,~~ and A NONREFUNDABLE FEE OF TWO DOLLARS AND FIFTY CENTS for filing an amendment to the articles~~, two dollars and fifty cents~~.

Sec. 12. Section 10-2079, Arizona Revised Statutes, is amended to read:

10-2079. Fees

The corporation commission shall charge and collect THE FOLLOWING NONREFUNDABLE FEES for:

1. Filing articles of incorporation, ten dollars.
2. Filing articles of amendment, ten dollars.
3. Filing articles of consolidation or merger, ten dollars.
4. Filing articles of conversion, ten dollars.
5. Filing certificate of election to dissolve, ten dollars.
6. Filing articles of dissolution, ten dollars.
7. Filing certificate of change of principal office, five dollars.

Sec. 13. Section 10-2145, Arizona Revised Statutes, is amended to read:

10-2145. Fees

The corporation commission shall charge and collect the following NONREFUNDABLE fees:

1. Filing articles of incorporation, ten dollars.
2. Filing articles of amendment, ten dollars.
3. Filing articles of consolidation or merger, ten dollars.
4. Filing articles of conversion, ten dollars.
5. Filing certificate of election to dissolve, ten dollars.
6. Filing articles of dissolution, ten dollars.
7. Filing certificate of change of principal office, five dollars.

Sec. 14. Section 10-3120, Arizona Revised Statutes, is amended to read:

10-3120. Filing requirements

A. In order to qualify for filing by the commission, a document shall satisfy the requirements of this section and any other section of chapters 24 through ~~40~~ 42 of this title that adds to or varies these requirements.

B. Chapters 24 through ~~40~~ 42 of this title require or permit filing of the document in the office of the commission.

C. The document shall contain the information required by chapters 24 through ~~40~~ 42 of this title. It may contain other information.

D. The document shall be typewritten or printed and shall be legible and capable of microfilm or other process reduction and subsequent reproduction as determined by the commission.

E. The document and any exhibits to the document shall be in the English language or accompanied by an English translation certified as accurate by or on behalf of the person causing the document to be delivered for filing.

F. The document shall be executed:

1. By the presiding officer or its board of directors of a domestic or foreign corporation, its president~~,~~ or by another of its officers.

2. If directors have not been selected or the corporation has not been formed, by an incorporator.

3. If the corporation is in the hands of a receiver, trustee or other court appointed fiduciary, by that fiduciary.

G. The document shall state the name of each person who signs it and the capacity in which each person signs. The document may but need not contain:

1. The corporate seal.
2. An attestation by the secretary or an assistant secretary.
3. An acknowledgment, verification or proof.

H. If the commission has prescribed a mandatory form for the document under section 10-3121, the document shall be in or on the prescribed form.

I. Except as provided in subsection J of this section and sections 10-3503 and 10-11509, the document shall be delivered to the office of the commission for filing and shall be accompanied by the correct ~~filing~~ fee and any other payment or penalty required by chapters 24 through ~~40~~ 42 of this title or other law.

J. Notwithstanding subsection I of this section:

1. A person may deliver by means of a ~~telefacsimile~~ FAX OR ELECTRONIC transmission a document that is required or permitted by chapters 24 through ~~40~~ 42 of this title to be delivered to the commission for filing. The person shall retain the original document for at least twelve months in the books and records of the corporation or of the person making the delivery for filing, if the delivery is not made on behalf of the corporation, and the person shall make the original documents available for inspection and copying by the commission on reasonable notice.

2. A document that is reproduced at a ~~telefacsimile~~ FAX machine OR THROUGH AN ELECTRONIC TRANSMISSION at the commission ~~as a result of a telefacsimile transmission~~ is deemed delivered to the commission:

(a) On the date of the reproduction if reproduced on or before 5:00 p.m. mountain standard time and if the day is a business day of the commission.

(b) On the next succeeding business day if reproduced after 5:00 p.m. mountain standard time and if the day is a business day of the commission.

3. On the request of the person transmitting the document, the commission shall confirm by ~~telefacsimile~~ FAX OR ELECTRONIC transmission or other writing the receipt of the document.

4. A person shall pay and deliver to the commission any fee or penalty imposed by this title with respect to delivery of a document to the commission for filing in the manner as the commission determines.

5. If the commission determines that the legality of the document reproduced by means of a ~~telefacsimile~~ FAX OR ELECTRONIC transmission is not sufficient, the commission may require that either:

(a) The document be delivered to the commission by means of an additional ~~telefacsimile~~ FAX OR ELECTRONIC transmission.

(b) An original document be delivered to the commission by means other than a ~~telefacsimile~~ FAX OR ELECTRONIC transmission.

6. The commission shall not file a document if any required amount is not paid as provided in paragraph 4 of this subsection or if any required additional counterpart is not delivered as provided in paragraph 5 of this subsection.

7. A reproduced document delivered under this subsection is deemed to satisfy any requirement in chapters 24 through ~~40~~ 42 of this title for delivery of an original and one or more copies of the document. A document subject to this paragraph is deemed to have been delivered on the date on which it was delivered as provided in paragraph 2 of this subsection only if the first reproduction at a minimum permits identification of the corporation

to which the document pertains and of the general nature of the document and the commission subsequently determines that paragraphs 4 and 5 of this subsection and any other requirements of chapters 24 through ~~40~~ 42 of this title regarding the document have been satisfied.

8. THE COMMISSION MAY PRESCRIBE THE FORMAT OF AN ELECTRONIC DOCUMENT DELIVERED TO THE COMMISSION PURSUANT TO THIS SUBSECTION.

Sec. 15. Section 10-3122, Arizona Revised Statutes, is amended to read:

10-3122. Filing, service and copying fees; public access fund; expedited report filing and access; same day and next day services

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

Document	Fee
1. Articles of incorporation	$ 30
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 membership 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 or revocation, in addition to other fees and penalties due	$ 25
15. Application for authority	$150
16. Application for withdrawal	$ 25
17. Annual report	$ 10
18. Articles of correction	$ 25
19. Application for certificate of good standing	$ 10

B. The commission shall collect a NONREFUNDABLE fee of twenty-five dollars each time process is served on it under chapters 24 through 42 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. The fee collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

C. The commission shall charge and collect fifty cents per page for copying documents on request. The commission shall also charge five dollars plus fifty cents per page for certifying the copy of a filed document. The fees collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

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. The penalty collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

E. Pursuant to section 10-122, subsection F, the commission shall provide for and establish an expedited service for the filing of all documents and services provided pursuant to chapters 24 through 42 of this title.

F. Pursuant to section 10-122, subsection F, the commission may provide for and establish same day and next day services for the filing of any documents and services provided pursuant to chapters 24 through 42 of this title.

G. The commission may charge persons who access the commission's data processing system that is maintained pursuant to section 10-122.01 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.

H. Except as provided in section 10-122.01, subsection B, paragraph 3, in addition to any fee charged pursuant to this section, the commission may charge and collect the following NONREFUNDABLE fees to help defray the cost of the improved data processing system that is maintained pursuant to section 10-122.01:

1. Filing articles of incorporation of a domestic corporation, ten dollars.

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

I. All monies received pursuant to subsections E through H of this section shall be deposited, pursuant to sections 35-146 and 35-147, in the public access fund established by section 10-122.01.

J. Fees charged pursuant to this section are exempt from section 39-121.03, subsection A, paragraph 3.

K. Any person may advance monies to the commission to pay fees required pursuant to this section for future filings and services. All monies received pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the money on deposit account in the public access fund established by section 10-122.01.

Sec. 16. Section 10-3203, Arizona Revised Statutes, is amended to read:

10-3203. Incorporation

A. Unless a delayed effective date is specified in the articles of incorporation, incorporation occurs and the corporate existence begins when the articles of incorporation and certificate of disclosure are delivered to the commission for filing.

B. The commission's filing of the articles of incorporation and certificate of disclosure is conclusive proof that the incorporators satisfied all conditions precedent to incorporation except in a proceeding by the state to cancel or revoke the incorporation or involuntarily dissolve the corporation pursuant to chapter 37 of this title.

C. Subject to section 10-3124, if the commission determines that the requirements of chapters 24 through ~~40~~ 42 of this title for filing have not been met, the articles of incorporation and certificate of disclosure shall not be filed and the corporate existence terminates at the time the commission completes the determination. If the corporate existence is terminated pursuant to this subsection, sections 10-11404, 10-11405 and 10-11406 apply.

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of incorporation shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of incorporation.

Sec. 17. Section 10-3224, Arizona Revised Statutes, is amended to read:

10-3224. Recording and publication of articles of domestication

Within sixty days after THE COMMISSION HAS APPROVED THE filing OF the articles of domestication, A COPY OF the articles of domestication shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after THE APPROVAL BY THE COMMISSION OF THE filing OF the articles of domestication. If other laws require the domesticated corporation to record its articles of incorporation, the domesticated corporation shall also record the articles of domestication.

Sec. 18. Section 10-11006, Arizona Revised Statutes, is amended to read:

10-11006. Articles of amendment

A. A corporation amending its articles of incorporation shall deliver to the commission for filing articles of amendment setting forth:

1. The name of the corporation.

2. THE text of each amendment adopted.

3. The date of each amendment's adoption.

4. A statement that the amendment was duly adopted by act of the members or act of the board of directors and, if applicable, with the approval required pursuant to section 10-11030.

B. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of amendment shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of amendment.

Sec. 19. Section 10-11007, Arizona Revised Statutes, is amended to read:

10-11007. Restated articles of incorporation

A. A corporation's board of directors may restate its articles of incorporation at any time with or without approval by the members or any other person.

B. The restatement may include one or more amendments to the articles of incorporation. If the restatement includes an amendment requiring approval by the members or any other person, it shall be adopted as provided in section 10-11003.

C. If the board of directors submits A restatement for member action, the corporation shall notify each member entitled to vote of the proposed membership meeting in writing in accordance with section 10-3705. The notice shall also state that the purpose or one of the purposes of the meeting is to consider the proposed restatement and shall contain or be accompanied by a copy or summary of the restatement that identifies any ~~amendments~~ AMENDMENT or other change it would make in the articles.

D. If the board of directors submits A restatement for member action by written ballot or written consent, the material that solicits the approval shall contain or be accompanied by a copy or summary of the restatement that also identifies any amendment or other change it would make in the articles of incorporation.

E. A corporation restating its articles of incorporation shall deliver to the commission for filing articles of restatement setting forth the name of the corporation and the text of the restated articles of incorporation together with a certificate setting forth:

1. Whether the restatement contains an amendment to the articles requiring approval ~~or~~ BY any other person other than the board of directors and, if it does not, that the board of directors adopted the restatement.

2. If the restatement contains an amendment to the articles requiring approval by the members, a statement that such approval was obtained.

3. If the restatement contains an amendment to the articles requiring approval by a person whose approval is required pursuant to section 10-11030, a statement that such approval was obtained.

F. Duly adopted restated articles of incorporation supersede the original articles of incorporation and all amendments to them.

G. The commission may certify restated articles of incorporation, as the articles of incorporation currently in effect, without including the certificate information required by subsection ~~H~~ E of this section.

H. Within sixty days after THE COMMISSION HAS APPROVED THE filing, a copy of the articles of restatement shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of restatement.

Sec. 20. Section 10-11008, Arizona Revised Statutes, is amended to read:

10-11008. Amendment pursuant to reorganization

A. A corporation's articles may be amended pursuant to this section without action by the board of directors or members or approval required pursuant to section 10-11030 to carry out a plan of reorganization ordered or decreed by a court of competent jurisdiction under a federal statute or a statute of this state if the articles of incorporation after amendment contain only provisions required or permitted by section 10-3202.

B. Before the date of entry of a final decree in the reorganization proceeding, the individual or individuals designated by the court plan shall deliver to the commission articles of amendment setting forth all of the following:

1. The name of the corporation.

2. The text of each amendment contained in the plan of reorganization.

3. The date of the court's order or decree confirming the plan of reorganization containing the articles of amendment.

4. The title of the reorganization proceeding in which the order or decree was entered.

5. A statement that the court had jurisdiction of the proceeding under federal or state statute.

C. This section does not apply after entry of a final decree in the reorganization proceeding even though the court retains jurisdiction of the proceeding for limited purposes unrelated to consummation of the reorganization plan.

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of amendment shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles or amendment.

Sec. 21. Section 10-11105, Arizona Revised Statutes, is amended to read:

10-11105. Articles of merger or membership exchange; publication

A. After a plan of merger or membership exchange is approved by the board of directors and, if required by section 10-11103, by the members and any other persons, the surviving or acquiring corporation shall deliver to the commission for filing both:

1. The plan of merger or membership exchange.

2. Articles of merger or membership exchange setting forth:

(a) The names of the corporations that were parties to the merger or membership exchange.

(b) The name and address of the known place of business of the surviving or acquiring corporation.

(c) The name and address of the statutory agent of the surviving or acquiring corporation.

(d) Any amendments to the articles of incorporation of the surviving corporation.

(e) A statement that the amendment was duly adopted by act of the board of directors and, if required by section 10-11103, by act of the members and any other persons.

B. A merger takes effect at the effective time and date of the articles of merger, as determined pursuant to section 10-3123.

C. If the articles of merger include amendments to the articles of incorporation of the surviving corporation, the document required to be filed and published under this section shall be styled "articles of amendment and merger".

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of merger or membership exchange shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of merger or membership exchange.

Sec. 22. Section 10-11107, Arizona Revised Statutes, is amended to read:

10-11107. <u>Merger or exchange with other entities</u>

A. In addition to mergers or exchanges governed by sections 10-11101 and 10-11102, a domestic corporation may merge or enter into an exchange of memberships and interests with one or more other entities incorporated, formed or organized under the laws of this state, any other state, the United States, any foreign country or any other jurisdiction, if:

1. In a merger, the merger is permitted by the law of the jurisdiction under whose laws the other entity is incorporated, formed or organized, and each other entity complies with that law in effecting the merger. For entities incorporated, formed or organized under the laws of this state, this section constitutes permission for the merger.

2. Each domestic nonprofit corporation approves the plan of merger or exchange in the manner required by section 10-11103, subsection B.

3. Each other entity approves the plan of merger or exchange in the manner required by the laws of the jurisdiction under whose laws it is organized.

4. Rights or securities of or interests in an entity that is a party to the merger or exchange may be exchanged for or converted into cash, property, obligations, rights or securities of or interests in the surviving or resulting entity.

B. The plan of merger or exchange shall set forth:

1. The name and jurisdiction of incorporation, formation or organization of each entity that plans to merge or exchange.

2. The name of the surviving or acquiring entity.

3. The terms and conditions of the merger or exchange.

4. The manner and basis, if any, of converting or exchanging the memberships, rights or securities of or interests in each entity that is a party to the merger or to be acquired in the exchange into or for obligations, memberships, rights or securities of or interest in the surviving or acquiring entity or into or for cash or other property in whole or in part.

C. The plan of merger or exchange may set forth:

1. In a merger, amendments to the articles or certificate of incorporation or organization, the certificate of limited partnership or similar organizational document of the surviving entity.

2. Other provisions relating to the merger or exchange.

D. After a plan of merger or exchange is approved as provided in subsection A, paragraphs 2 and 3 of this section, the surviving or acquiring entity shall deliver to the commission for filing both:

1. The plan of merger or exchange, or a statement that the plan of merger or exchange is on file at a place of business of the surviving or acquiring entity, including the address of the place of business, and a statement that the surviving or acquiring entity will provide a copy of the plan of merger or exchange on request and without cost to any person who holds an interest in an entity that is a party to the merger or exchange.

2. The articles of merger or exchange setting forth:

(a) The names of the domestic nonprofit corporations and other entities that were parties to the merger or exchange.

(b) The name and a place of business of the surviving or acquiring entity.

(c) If the surviving entity in a merger is a domestic nonprofit or business corporation, any amendments to the articles of incorporation of that corporation.

3. If the surviving entity in a merger is not an entity organized under the laws of this state, both of the following:

(a) A statement that the surviving entity agrees that it may be served with process in this state in an action, suit or proceeding for the enforcement of any obligation of any entity that was organized under the laws of this state and that is a party to the merger and for the enforcement of any obligation of the surviving entity arising from the merger.

(b) A statement that the surviving entity irrevocably appoints the commission as its agent to accept service of process in the action, suit or proceeding described in subdivision (a) of this paragraph, including the address to which the commission shall mail a copy of the process.

E. The articles of merger shall serve as the articles or certificate of dissolution, termination or cancellation for an entity that is not the surviving entity in a merger.

F. A merger or exchange takes effect at the effective time and date of the articles of merger or exchange, as determined pursuant to section 10-3123.

G. If the articles of merger include amendments to the articles of incorporation of the surviving corporation as described in subsection D, paragraph 2, subdivision (c) of this section, the document required to be filed and published under this section shall be styled "articles of amendment and merger".

H. Within sixty days after THE COMMISSION HAS APPROVED the filing, a copy of the articles of merger or share exchange shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of merger or share exchange.

I. When a merger takes effect:

1. Every other entity that is a party to the merger merges into the surviving entity and the separate existence of every entity except the surviving entity ceases.

2. The title to all real estate and other property owned by each entity that is a party to the merger is vested automatically in the surviving entity without reversion or impairment, subject to any and all conditions to which the property was subject prior to the merger.

3. The surviving entity automatically has all of the liabilities of each entity that is a party to the merger.

4. A proceeding pending against any entity that is a party to the merger may be continued as if the merger did not occur or the surviving entity may be substituted in the proceeding for the entity whose existence ceased.

5. The organizational document of the surviving entity is amended to the extent provided in the articles of amendment and merger.

6. The memberships, rights or securities of or interests in each entity that is a party to the merger that are to be converted into obligations, memberships, rights or securities of or other interests in the surviving or any other entity or into cash or other property are converted, and the former holders of the memberships, rights, securities or interests are entitled only to the rights provided in the plan of merger.

J. If an exchange takes effect, the memberships, rights or securities of or other interests in each acquired entity are exchanged as provided in the plan, and the former holders of the membership, rights, securities or interests are entitled only to the exchange rights provided in the plan of exchange.

K. Unless the plan of merger or exchange provides otherwise, each entity that is a party to the merger or exchange may abandon the proposed

merger or exchange before the effective date of the merger or exchange in a manner required by the laws of the jurisdiction in which the entity is organized.

L. This section does not limit the power of an entity to acquire all or part of the memberships of one or more classes of a domestic corporation through a voluntary exchange or otherwise.

Sec. 23. Section 10-11403, Arizona Revised Statutes, is amended to read:

10-11403. Articles of dissolution

A. At any time after dissolution is authorized, the corporation may dissolve by delivering to the commission articles of dissolution setting forth all of the following:

1. The name of the corporation.

2. The date dissolution was authorized.

3. A statement that the dissolution was duly authorized by an act of the members or an act of the board of directors and, if applicable, with the approval required pursuant to section 10-11402.

B. A corporation is dissolved on the effective date of its articles of dissolution.

C. The articles of dissolution shall not be considered complete until all fees, penalties and costs required to be paid under this title have been paid.

D. Within sixty days after THE COMMISSION HAS APPROVED the filing a copy of the articles of dissolution shall be published. An affidavit evidencing the publication shall be filed with the commission within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the articles of dissolution.

E. The articles of dissolution are not complete until the commission has received a notice from the department of revenue that the tax levied under title 42, chapter 5, article 1 against the corporation has been paid, or until the department of revenue notifies the commission that the corporation is not subject to the tax and the commission has received from the department of revenue a certificate issued by the department of revenue pursuant to section 43-1151.

Sec. 24. Section 10-11503, Arizona Revised Statutes, is amended to read:

10-11503. Application for certificate of authority

A. A foreign corporation may apply for authority to conduct affairs in this state by delivering an application and a certificate of disclosure to the commission for filing. The certificate of disclosure shall contain the information set forth in section 10-3202, subsection D and is subject to the requirements of section 10-3202, subsection F. The application shall be executed by the corporation and shall set forth:

1. The name of the foreign corporation and, if its name is unavailable for use in this state, a corporate name that satisfies the requirements of section 10-11506.

2. The name of the state or country under whose law it is incorporated.

3. Its date of incorporation and period of duration.

4. The street address of its principal office in its state or country of incorporation.

5. The street address of the proposed known place of business of the corporation in this state and the name and street address of its proposed statutory agent in this state.

6. If its purpose or purposes are narrower than the transaction of any or all lawful affairs in which corporations may engage in the state or country under whose law it is incorporated, a statement of the limitations on its purpose.

7. The names and usual business addresses of its current directors and officers.

8. Whether the foreign corporation has members.

9. A brief statement of the character of business that the corporation initially intends actually to conduct in this state. This statement does not limit the character of business that the corporation ultimately conducts.

B. The foreign corporation shall deliver the application and the certificate of disclosure to the commission, together with a copy of its articles of incorporation, any amendments to the articles of incorporation and a certificate of existence or a document of similar import duly authenticated by the secretary of state or other official having custody of corporate records in the state or country under whose law it is incorporated, and the NONREFUNDABLE fees required by law ~~for filing the application~~.

C. After determining that the application sets forth the information required by this section, does not use as the name of the corporation in this state a name that is in violation of section 10-11506 and appears in all other ~~respect~~ RESPECTS to conform to the requirements of this article, the commission shall file the application. The date of filing shall be the date on which the corporation is granted authority to transact business in this state.

D. Within sixty days after THE COMMISSION HAS APPROVED the filing, ~~of the application~~ a copy of the application shall be published. An affidavit evidencing the publication shall be filed within ninety days after APPROVAL BY THE COMMISSION OF THE filing OF the application.

E. A foreign corporation authorized to transact business in this state is subject to section 10-11623.

1 Sec. 25. Title 29, chapter 4, article 1, Arizona Revised Statutes, is
2 amended by adding sections 29-614 and 29-615, to read:
3 29-614. Certificate of good standing
4 A. A PERSON MAY APPLY TO THE COMMISSION TO FURNISH A CERTIFICATE OF
5 GOOD STANDING FOR A DOMESTIC OR FOREIGN LIMITED LIABILITY COMPANY.
6 B. A CERTIFICATE OF GOOD STANDING SHALL SET FORTH ALL OF THE
7 FOLLOWING:
8 1. THE DOMESTIC LIMITED LIABILITY COMPANY'S NAME OR THE FOREIGN
9 LIMITED LIABILITY COMPANY'S NAME USED IN THIS STATE.
10 2. THAT EITHER:
11 (a) THE DOMESTIC LIMITED LIABILITY COMPANY IS ORGANIZED UNDER THE LAWS
12 OF THIS STATE AND THE DATE OF ITS ORGANIZATION.
13 (b) THE FOREIGN LIMITED LIABILITY COMPANY IS AUTHORIZED TO TRANSACT
14 BUSINESS IN THIS STATE.
15 3. THE LIMITED LIABILITY COMPANY IS IN GOOD STANDING IN THIS STATE
16 ACCORDING TO THE RECORDS OF THE COMMISSION.
17 C. SUBJECT TO ANY QUALIFICATION STATED IN THE CERTIFICATE, A
18 CERTIFICATE OF GOOD STANDING ISSUED BY THE COMMISSION MAY BE RELIED ON AS
19 CONCLUSIVE EVIDENCE OF THE MATTERS STATED IN THE CERTIFICATE.
20 29-615. Certificate of good standing; license and registration
21 renewal
22 IF A STATE AGENCY CAN CONFIRM THROUGH THE COMMISSION THAT AN APPLICANT
23 FOR RENEWAL OF A LICENSE OR REGISTRATION IS ENTITLED TO THE ISSUANCE OF A
24 CERTIFICATE OF GOOD STANDING AT THE TIME OF INQUIRY, THE AGENCY SHALL NOT
25 REQUIRE AN APPLICANT TO OBTAIN A CERTIFICATE OF GOOD STANDING.
26 Sec. 26. Section 29-633, Arizona Revised Statutes, is amended to read:
27 29-633. Amendment of articles of organization; restatement;
28 publication
29 A. The articles of organization of a limited liability company are
30 amended by filing with the commission the articles of amendment, signed on
31 behalf of the limited liability company by a manager if management of the
32 limited liability company is vested in one or more managers or by a member if
33 management of the limited liability company is reserved to the members. The
34 articles of amendment shall set forth:
35 1. The name of the limited liability company.
36 2. The text of the amendment to the articles of organization.
37 B. A limited liability company shall amend its articles of
38 organization if there is a statement in the articles of organization that was
39 false or erroneous when it was made or within thirty days after the
40 occurrence of any of the following events:
41 1. Any arrangements or facts have changed making the articles of
42 organization inaccurate in any respect other than those changes required to
43 be set forth in a statement delivered to the commission pursuant to section
44 29-605.

2. Management of the limited liability company is reserved to the members and there is a change in the persons who are members.

3. Management of the limited liability company is vested in a manager or managers and there is a change in the persons who are managers or in the members who own a twenty per cent or greater interest in the capital or profits interest of the limited liability company.

C. A limited liability company may amend its articles of organization if its articles of organization as amended contain only provisions that may be lawfully contained in the articles of organization at the time of making the amendment. In particular and without limitation on the general power of amendment, a limited liability company may amend its articles of organization to:

1. Change the name of the limited liability company.

2. Change, enlarge or diminish the purposes of the limited liability company.

3. If management is reserved to the members of a limited liability company, vest management of the limited liability company in one or more managers.

4. If management is vested in one or more managers, vest management of the limited liability company in the members.

D. A limited liability company may restate its articles of organization. Restated articles of organization shall be executed and filed in the same manner as articles of amendment. Restated articles of organization shall be specifically designated as such in the heading and shall state either in the heading or in an introductory paragraph the limited liability company's present name and, if it has been changed, all of its former names.

E. A limited liability company that has not amended its articles of organization as required by this section may not maintain an action upon or on account of a contract or transaction made in the name of the limited liability company in any court of this state until it has first amended its articles of organization as required by this section. No person has any liability because an amendment to articles of organization has not been filed to reflect the occurrence of any event prescribed by subsection B of this section if the amendment is filed within the thirty-day period specified in subsection B of this section.

F. Within sixty days after THE COMMISSION HAS APPROVED the filing ~~with the commission~~ of the articles of amendment or restated articles of organization there shall be published in a newspaper of general circulation in the county of the known place of business for three consecutive publications a copy of the articles of amendment or restated articles of organization. An affidavit evidencing publication shall be filed within ninety days after APPROVAL BY THE COMMISSION OF THE filing of the amendment of the articles of organization. Publication is not required if amendments to the articles of organization are made solely in relation to changes in

managers or members of the limited liability company or changes made pursuant to section 29-605.

Sec. 27. 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~~ THE COMMISSION HAS APPROVED THE 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, 3, 5 and 6. An affidavit evidencing publication shall be filed within ninety days after APPROVAL BY THE COMMISSION OF THE filing of the articles of organization.

Sec. 28. Section 29-754, Arizona Revised Statutes, is amended to read:

29-754. Articles of merger or consolidation

A. A business entity that survives or results from a merger or consolidation pursuant to this article shall file articles of merger or consolidation with the commission. The articles of merger or consolidation shall:

1. Include the plan of merger or consolidation or state that the plan of merger or consolidation is on file at a place of business of the surviving or resulting business entity, including the address of the place of business, and that the surviving or resulting business entity will provide a copy of the plan of merger or consolidation on request and without cost to any person who holds an interest in a business entity that is a party to the merger or consolidation.

2. State that each business entity that is a party to the merger or consolidation approved a plan of merger or consolidation in the manner provided by law.

3. State the future effective date of the merger or consolidation if it is not effective on the filing of the articles of merger or consolidation.

4. If the surviving or resulting business entity is not a business entity organized under the laws of this state, state both of the following:

(a) The surviving or resulting business entity agrees that it may be served with process in this state in an action, suit or proceeding for the enforcement of any obligation of any business entity that was organized under the laws of this state and that is a party to the merger or consolidation and for the enforcement of any obligation of the surviving or resulting business entity arising from the merger or consolidation.

(b) It irrevocably appoints the commission as its agent to accept service of process in the action, suit or proceeding described in subdivision (a), including the address to which the commission shall mail a copy of the process.

5. INCLUDE ANY AMENDMENTS TO THE ARTICLES OF ORGANIZATION OF THE SURVIVING LIMITED LIABILITY COMPANY IF THE SURVIVING OR RESULTING BUSINESS ENTITY IS A LIMITED LIABILITY COMPANY.

B. The articles of merger or consolidation shall be duly executed as follows:

1. In the case of a domestic limited liability company, by the member or manager designated in the plan of merger or consolidation.

2. In the case of a business entity other than a domestic limited liability company, in the manner provided by law.

C. Articles of merger or consolidation shall serve as articles of termination for a limited liability company that is not the surviving or resulting business entity in the merger or consolidation.

D. IF THE ARTICLES OF MERGER INCLUDE AMENDMENTS TO THE ARTICLES OF ORGANIZATION, THE DOCUMENT SHALL BE PUBLISHED AS PROVIDED IN SECTION 29-633. THE DOCUMENT REQUIRED TO BE FILED AND PUBLISHED SHALL BE STYLED "ARTICLES OF AMENDMENT AND MERGER".

Sec. 29. Section 29-782, Arizona Revised Statutes, is amended to read:

29-782. Effect of dissolution

A. After the dissolution of a limited liability company, its separate existence continues until ANY OF THE FOLLOWING OCCURS:

1. Articles of termination ~~have been~~ ARE filed with the commission. ~~or until~~

2. A decree terminating the limited liability company ~~has been~~ IS entered by a court of competent jurisdiction.

3. THE COMMISSION ADMINISTRATIVELY DISSOLVES THE LIMITED LIABILITY COMPANY.

B. After its dissolution, ~~the limited liability company shall proceed to collect its assets, convey and dispose of its properties that are not to be distributed in kind to its members, pay, satisfy or discharge, or make adequate provision to pay or discharge, its liabilities and obligations and do all other acts required to liquidate its business and affairs~~ UNTIL ITS

SEPARATE EXISTENCE TERMINATES, A DISSOLVED LIMITED LIABILITY COMPANY SHALL NOT CARRY ON ANY BUSINESS EXCEPT BUSINESS THAT IS NECESSARY TO WIND UP AND LIQUIDATE ITS BUSINESS AND AFFAIRS, INCLUDING ANY OF THE FOLLOWING:

1. COLLECTING ITS ASSETS.

2. DISPOSING OF ITS PROPERTIES THAT WILL NOT BE DISTRIBUTED IN KIND TO ITS MEMBERS.

3. DISCHARGING OR MAKING PROVISIONS FOR DISCHARGING ITS LIABILITIES.

4. DISTRIBUTING ITS REMAINING PROPERTY AMONG ITS MEMBERS ACCORDING TO THE INTERESTS OF THE MEMBERS.

5. DOING ALL OTHER ACTS REQUIRED TO LIQUIDATE ITS BUSINESS AND AFFAIRS.

Sec. 30. Section 29-783, Arizona Revised Statutes, is amended to read:

29-783. Articles of termination

If all of the known property and assets of a limited liability company have been applied and distributed pursuant to this chapter, written articles of termination shall be signed on behalf of the limited liability company by a manager if management of the limited liability company is vested in one or more managers or by a member if management of the limited liability company is reserved to the members. The articles of termination shall be filed with the commission and shall state:

1. The name of the limited liability company.

2. That all debts, obligations and liabilities have been paid and discharged or that adequate provisions have been made for them PURSUANT TO SECTION 29-782.

3. That all of the known properties and assets of the limited liability company have been applied and distributed pursuant to this chapter.

4. That there are no suits pending against the company in any court or that adequate provisions have been made for the satisfaction of any judgment, order or decree that may be entered against it in any pending suit.

Sec. 31. 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 NONREFUNDABLE 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 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 or country 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 foreign limited liability company's statutory agent in this state.

5. The address of the office required to be maintained in the state or country of its organization by the laws of that state or country 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 for a certificate of registration 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 delivering the application for filing with the commission.

C. If the commission is unable to file the application for a certificate of registration at the time it is delivered for filing, the registration is deemed to have been filed at the time of delivery if the commission subsequently determines either of the following:

1. The registration delivered conforms to the filing provisions of this article.

2. Within thirty days after notification of nonconformance is given by the commission to the person who delivered the application for certificate of registration for filing or the person's representative, the registration is brought into conformance.

Sec. 32. Section 29-851, Arizona Revised Statutes, is amended to read:

29-851. <u>Filing, service and copying fees; expedited filing and services; same day and next day services; posted wait times; advance monies; definition</u>

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

1. The initial articles of organization, fifty dollars.

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

3. An amendment to the articles of organization, twenty-five dollars.

4. Articles of termination and a certificate of termination, thirty-five dollars.

5. A certificate for any purpose not otherwise provided for, ten dollars.

6. Articles of merger, fifty dollars.

7. Written information on any limited liability company, ten dollars.

8. A copy of any document or instrument, five dollars plus fifty cents per page.

9. An application for reservation of a name or for filing a notice of the transfer or cancellation of any name reservation, ten dollars.

10. Five dollars for 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.

11. 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.

12. Articles of correction, the fee prescribed in section 10-122, subsection A, paragraph 18.

13. 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 NONREFUNDABLE fee for expedited services, including those requested by fax. The fee shall be determined by a supermajority vote of the commissioners.

C. The commission may provide for and establish same day and next day services for the filing of any documents and services provided pursuant to this chapter as follows:

1. The same day and next day services shall not be offered unless all expedited services filed pursuant to this chapter are processed within a maximum of five business days and all other documents and services filed pursuant to this chapter are processed within a maximum of thirty business days.

2. The commission shall suspend same day or next day service if the commission determines that it does not have the necessary resources to perform the service within the established time period.

3. In addition to any other fees required by this section or any other law, the commissioners may charge a NONREFUNDABLE fee for the same day or next day service or both. The fee shall be determined by a supermajority vote of the commissioners.

D. The commission shall publicly post the current wait times for processing regular, expedited and same day and next day services.

E. All monies received pursuant to subsections B and C of this section shall be deposited, pursuant to sections 35-146 and 35-147, in the public access fund established by section 10-122.01.

F. Any person may advance monies to the commission to pay fees required pursuant to this section for future filings and services. All monies received pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the money on deposit account in the public access fund established by section 10-122.01.

G. For the purposes of this section, "supermajority" means an affirmative vote of at least four commissioners.

Sec. 33. Section 29-855, Arizona Revised Statutes, is amended to read:

29-855. Delivery by means of fax or electronic transmission

A. A person may deliver by means of a ~~facsimile~~ FAX OR ELECTRONIC transmission a document that is required or permitted by this chapter to be delivered to the commission for filing. The person shall retain the original document for at least twelve months in the books and records of the limited liability company or of the person making the delivery for filing if the delivery is not made on behalf of the limited liability company, and the person shall make the original document available for inspection and copying by the commission on reasonable notice.

B. A document that is reproduced at a ~~facsimile~~ FAX machine OR THROUGH AN ELECTRONIC TRANSMISSION at the commission ~~as a result of a facsimile transmission~~ is deemed to be delivered to the commission:

1. On the date of the reproducing if reproduced on or before 5:00 p.m. mountain standard time and if the day is a business day of the commission.

2. On the next succeeding business day if reproduced after 5:00 p.m. mountain standard time or on a day that is not a business day of the commission.

C. On the request of the person transmitting the document, the commission shall confirm by ~~facsimile~~ FAX OR ELECTRONIC transmission or other writing the receipt of the document.

D. A person shall pay and deliver to the commission any fee or penalty imposed by any section of this chapter with respect to the delivery of a document to the commission for filing in the manner determined by the commission.

E. If the commission determines that the legibility of the document reproduced by means of a ~~facsimile~~ FAX OR ELECTRONIC TRANSMISSION is insufficient, the commission may require that either:

1. The document be delivered to the commission by means of an additional ~~facsimile~~ FAX OR ELECTRONIC transmission.

2. An original and, if applicable, one or more copies of the document be delivered to the commission by means other than a ~~facsimile~~ FAX OR ELECTRONIC transmission.

F. The commission shall not file a document if a required amount is not paid as provided in subsection D or if any required additional counterpart is not delivered as provided in subsection E.

G. A reproduced document delivered under this section is deemed to satisfy any requirement in this chapter for delivery of an original and one or more copies of a document. A document subject to this section is deemed to have been delivered on the date on which it was delivered as provided in subsection B but only if the first reproduction at a minimum permits identification of the limited liability company to which the document pertains and of the general nature of the document and the commission subsequently determines that subsections D and E and any other requirements of this chapter regarding the document have been satisfied.

H. THE COMMISSION MAY PRESCRIBE THE FORMAT OF AN ELECTRONIC DOCUMENT DELIVERED TO THE COMMISSION PURSUANT TO THIS SECTION.

APPROVED BY THE GOVERNOR APRIL 6, 2007.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 6, 2007.