

COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT

SENATE AMENDMENTS TO H.B. 2199

(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 10-125, Arizona Revised Statutes, is amended to
3 read:

4 10-125. Filing duty of commission

5 A. At the time of delivery of a document to the commission, the
6 commission shall stamp, endorse or attach the date and time of delivery of
7 the document.

8 B. The commission shall file a document delivered to the commission
9 for filing if both of the following apply:

10 1. The commission determines that the document satisfies the
11 requirements of chapters 1 through 17 of this title.

12 2. The corporation filing the document or on whose behalf the document
13 is being filed, ~~is~~ is in good standing within the meaning of section 10-128 ~~or~~
14 ~~10-3128~~.

15 C. The commission may file a document delivered to the commission in
16 which either the corporation has filed articles of dissolution or the
17 corporation has filed a document that is required to bring the corporation
18 into good standing. The commission shall deliver a document copy to the
19 domestic or foreign corporation or its representative.

20 D. If the commission refuses to file a document, it shall return it or
21 a copy of the original to the domestic or foreign corporation or its
22 representative within five days after the determination of refusal to file,
23 together with a brief written explanation of the reason for the refusal.

1 E. The filing or refusing to file a document by the commission does
2 not:

3 1. Affect the validity or invalidity of the document in whole or part,
4 except to the extent that filing is required to make the document valid.

5 2. Relate to the correctness or incorrectness of information contained
6 in the document.

7 3. Create a presumption that the document is valid or invalid or that
8 information contained in the document is correct or incorrect.

9 Sec. 2. Section 10-203, Arizona Revised Statutes, is amended to read:

10 10-203. Incorporation

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

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

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

26 D. Within sixty days after the commission ~~has approved~~ APPROVES the
27 filing, a copy of the articles of incorporation shall be published. An
28 affidavit evidencing the publication ~~shall~~ MAY be filed with the commission
29 ~~within ninety days after approval by the commission of the filing of the~~
30 ~~articles of incorporation.~~

1 Sec. 3. Section 10-224, Arizona Revised Statutes, is amended to read:

2 10-224. Recording and publication of articles of domestication

3 Within sixty days after the commission ~~has approved~~ APPROVES the filing
4 of the articles of domestication, a copy of the articles of domestication
5 shall be published. An affidavit evidencing the publication may be filed
6 with the commission ~~within ninety days after approval by the commission of~~
7 ~~the filing of the articles of domestication~~. If other laws require the
8 domesticated corporation to record its articles of incorporation, the
9 domesticated corporation shall also record the articles of domestication.

10 Sec. 4. Section 10-504, Arizona Revised Statutes, is amended to read:

11 10-504. Service on corporation

12 A. The statutory agent appointed by a corporation is an agent of the
13 corporation on whom process, notice or demand that is required or permitted
14 by law to be served on the corporation may be served and that, when so
15 served, is lawful personal service on the corporation.

16 B. If a corporation fails to appoint or maintain a statutory agent at
17 the address shown on the records of the commission, the commission is an
18 agent of the corporation on whom process, notice or demand may be served.
19 Pursuant to the Arizona rules of civil procedure, service on the commission
20 of any process, notice or demand for an entity that is registered pursuant to
21 this title shall be made by delivering to and leaving with the commission
22 duplicate copies of the process, notice or demand, and the commission shall
23 immediately cause one of the copies of the process, notice or demand to be
24 forwarded by mail, addressed to the corporation at its known place of
25 business. Service made on the commission is returnable pursuant to
26 applicable law relative to personal service on the corporation. If service
27 is made on the commission, whether under this chapter or a rule of court, the
28 corporation has thirty days to respond in addition to the time otherwise
29 provided by law.

30 C. The commission shall keep a permanent record of all processes,
31 notices and demands served on it under this section and shall record in the
32 record the time of the service and its action with reference to the service.

1 D. NOTICE REQUIRED TO BE SERVED ON A CORPORATION PURSUANT TO SECTION
2 10-1421 OR 10-1422 MAY BE SERVED:

3 1. BY MAIL ADDRESSED TO THE STATUTORY AGENT OF THE CORPORATION OR, IF
4 THE CORPORATION FAILS TO APPOINT AND MAINTAIN A STATUTORY AGENT, ADDRESSED TO
5 THE KNOWN PLACE OF BUSINESS REQUIRED TO BE MAINTAINED PURSUANT TO SECTION
6 10-501.

7 2. PURSUANT TO THE RULES FOR SERVICE OF PROCESS AUTHORIZED BY THE
8 ARIZONA RULES OF CIVIL PROCEDURE.

9 Sec. 5. Section 10-1006, Arizona Revised Statutes, is amended to read:
10 10-1006. Articles of amendment

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

13 1. The name of the corporation.

14 2. The text of each amendment adopted.

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

18 4. The date of each amendment's adoption.

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

22 6. If an amendment was approved by the shareholders:

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

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

1 B. Within sixty days after the commission ~~has approved~~ APPROVES the
2 filing, a copy of the articles of amendment shall be published. An affidavit
3 evidencing the publication may be filed with the commission ~~within ninety~~
4 ~~days after approval by the commission of the filing of the articles of~~
5 ~~amendment.~~

6 Sec. 6. Section 10-1007, Arizona Revised Statutes, is amended to read:
7 10-1007. Restated articles of incorporation

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

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

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

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

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

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

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

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

4 G. Within sixty days after the commission ~~has approved~~ APPROVES the
5 filing, a copy of the articles of restatement shall be published. An
6 affidavit evidencing the publication may be filed with the commission ~~within~~
7 ~~ninety days after the approval by the commission of the filing of the~~
8 ~~articles of restatement.~~

9 Sec. 7. Section 10-1008, Arizona Revised Statutes, is amended to read:

10 10-1008. Amendment pursuant to reorganization

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

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

21 1. The name of the corporation.

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

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

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

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

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

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

5 E. Within sixty days after the commission ~~has approved~~ APPROVES the
6 filing, a copy of the articles of amendment shall be published. An affidavit
7 evidencing the publication may be filed with the commission ~~within ninety~~
8 ~~days after approval by the commission of the filing of the articles of~~
9 ~~amendment.~~

10 Sec. 8. Section 10-1105, Arizona Revised Statutes, is amended to read:

11 10-1105. Articles of merger or share exchange; publication

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

16 1. The plan of merger or share exchange.

17 2. Articles of merger or share exchange setting forth:

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

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

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

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

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

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

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

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

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

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

13 D. Within sixty days after the commission ~~has approved~~ APPROVES the
14 filing, a copy of the articles of merger or share exchange shall be
15 published. An affidavit evidencing the publication may be filed with the
16 commission ~~within ninety days after approval by the commission of the filing~~
17 ~~of the articles of merger or share exchange.~~

18 Sec. 9. Section 10-1403, Arizona Revised Statutes, is amended to read:

19 10-1403. Articles of dissolution; effective date of dissolution

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

- 23 1. The name of the corporation.
- 24 2. The date dissolution was authorized.
- 25 3. If dissolution was approved by the shareholders, both:

26 (a) The number of votes entitled to be cast on the proposal to
27 dissolve.

28 (b) Either the total number of votes cast for and against dissolution
29 or the total number of undisputed votes cast for dissolution and a statement
30 that the number cast for dissolution was sufficient for approval.

1 4. If voting by voting groups was required, the information required
2 by paragraph 3 shall be separately provided for each voting group entitled to
3 vote separately on the plan to dissolve.

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

6 C. The articles of dissolution shall not be considered complete until
7 the commission has received a notice from the department of revenue to the
8 effect that the tax levied under title 42, chapter 5, article 1 against the
9 corporation has been paid, or until it is notified by the department of
10 revenue that the corporation is not subject to the tax and until the
11 commission has received from the department of revenue its certificate issued
12 pursuant to section 43-1151.

13 D. WITHIN SIXTY DAYS AFTER THE COMMISSION APPROVES THE FILING, A COPY
14 OF THE ARTICLES OF DISSOLUTION SHALL BE PUBLISHED. AN AFFIDAVIT EVIDENCING
15 THE PUBLICATION MAY BE FILED WITH THE COMMISSION.

16 ~~E.~~ E. The articles of dissolution shall not be considered complete
17 until all fees, penalties and costs required to be paid under this title have
18 been paid ~~and until the commission has received an affidavit that a copy of~~
19 ~~the articles of dissolution has been published.~~

20 Sec. 10. Section 10-1420, Arizona Revised Statutes, is amended to
21 read:

22 10-1420. Grounds for administrative dissolution

23 The commission may commence a proceeding under section 10-1421 to
24 administratively dissolve a corporation if either:

25 1. The corporation does not pay within sixty days after they are due
26 any fees or penalties imposed by chapters 1 through 17 of this title.

27 2. The corporation does not deliver its annual report to the
28 commission within sixty days after it is due.

29 3. The corporation is without a statutory agent or known place of
30 business in this state for sixty days or more.

31 4. The corporation does not notify the commission within sixty days
32 that its statutory agent or known place of business has been changed, that

1 its statutory agent has resigned or that its principal office has been
2 discontinued.

3 5. The corporation has failed to make any publication required by this
4 title, provided the commission has notified the corporation of the intent of
5 the commission to commence a dissolution proceeding for that reason and the
6 corporation has failed to file an affidavit of publication or other
7 appropriate evidence of publication within sixty days after that notice.

8 6. The corporation's period of duration stated in its articles of
9 incorporation expires.

10 7. The corporation has failed to comply with section 10-202,
11 subsection F.

12 8. Any officer or other representative of the corporation has made any
13 misrepresentation of a material matter in any application, report or other
14 document submitted by the corporation pursuant to chapters 1 through 17 of
15 this title.

16 9. The corporation has failed to comply with section 10-1403,
17 subsection D OR E, or the commission has not received the notice required by
18 section 10-1403, subsection C, within six months after filing articles of
19 dissolution.

20 10. The corporation has failed to file a certificate of disclosure or
21 answer interrogatories as prescribed in chapters 1 through 17 of this title.

22 11. The corporation failed to comply with section 10-1623,
23 subsection A.

24 Sec. 11. Section 10-1503, Arizona Revised Statutes, is amended to
25 read:

26 10-1503. Application for authority to transact business

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

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

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

6 3. Its date of incorporation and period of duration.

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

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

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

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

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

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

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

27 B. The foreign corporation shall deliver the application and the
28 certificate of disclosure to the commission, together with a copy of its
29 articles of incorporation, any amendments to the articles of incorporation
30 and a certificate of existence or a document of similar import duly
31 authenticated by the secretary of state or other official having custody of

1 corporate records in the state or country under whose law it is incorporated,
2 and the nonrefundable fees required by law.

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

9 D. Within sixty days after the commission ~~has approved~~ APPROVES the
10 filing, a copy of the application shall be published. An affidavit
11 evidencing the publication may be filed ~~within ninety days after approval by~~
12 ~~the commission of the filing of the application~~ WITH THE COMMISSION.

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

15 Sec. 12. Section 10-1510, Arizona Revised Statutes, is amended to
16 read:

17 10-1510. Service on foreign corporation

18 A. The statutory agent appointed by a foreign corporation is an agent
19 of the foreign corporation on whom process, notice or demand that is required
20 or permitted by law to be served on the foreign corporation may be served and
21 that, when so served, is lawful personal service on the foreign corporation.

22 B. If a foreign corporation fails to appoint or maintain a statutory
23 agent at the address shown on the records of the commission, the commission
24 is an agent of the foreign corporation on whom any process, notice or demand
25 may be served. Pursuant to the Arizona rules of civil procedure, service on
26 the commission of any process, notice or demand shall be made by delivering
27 to and leaving with the commission duplicate copies of the process, notice or
28 demand, and the commission shall immediately cause one of the copies of the
29 process, notice or demand to be forwarded by mail, addressed to the foreign
30 corporation at its known place of business. Service made on the commission
31 is returnable pursuant to applicable law relative to personal service on the
32 corporation. If service is made on the commission, whether under this

1 chapter or a rule of court, the foreign corporation has thirty days to
2 respond in addition to the time otherwise provided by law.

3 C. The commission shall keep a permanent record of all processes,
4 notices and demands served on it under this section and shall record in the
5 record the time of the service and its action with reference to the service.

6 D. NOTICE REQUIRED TO BE SERVED ON A FOREIGN CORPORATION PURSUANT TO
7 SECTION 10-1531 MAY BE SERVED:

8 1. BY MAIL ADDRESSED TO THE STATUTORY AGENT OF THE FOREIGN CORPORATION
9 OR, IF THE FOREIGN CORPORATION FAILS TO APPOINT AND MAINTAIN A STATUTORY
10 AGENT, ADDRESSED TO ITS KNOWN PLACE OF BUSINESS IN THIS STATE OR ITS
11 PRINCIPAL PLACE OF BUSINESS IN ITS STATE OR COUNTRY OF INCORPORATION.

12 2. PURSUANT TO THE RULES FOR SERVICE OF PROCESS AUTHORIZED BY THE
13 ARIZONA RULES OF CIVIL PROCEDURE.

14 Sec. 13. Section 10-1520, Arizona Revised Statutes, is amended to
15 read:

16 10-1520. Withdrawal of foreign corporation

17 A. A foreign corporation authorized to transact business in this state
18 shall not withdraw from this state until the commission files its application
19 for withdrawal.

20 B. A foreign corporation authorized to transact business in this state
21 may apply to surrender the authority by delivering an application to the
22 commission for filing. The application shall set forth:

23 1. The name of the foreign corporation and the name of the state or
24 country under whose law it is incorporated.

25 2. That it is not transacting business in this state and that it
26 surrenders its authority to transact business in this state.

27 3. That the foreign corporation revokes the authority of its statutory
28 agent to accept service on its behalf and appoints the commission as its
29 agent for service of process in any proceeding based on a cause of action
30 arising during the time it was authorized to transact business in this state.

1 4. A mailing address to which the commission may mail a copy of any
2 process served on the commission pursuant to its appointment as the foreign
3 corporation's agent for service of process.

4 5. A commitment to notify the commission in the future of any change
5 in the foreign corporation's mailing address.

6 C. The application for withdrawal is not considered complete until the
7 commission has received a notice from the department of revenue to the effect
8 that the tax levied under title 42, chapter 5, article 1 against the foreign
9 corporation has been paid or until it is notified by the department of
10 revenue that the applicant is not subject to the tax and further has received
11 from the department of revenue its certificate issued pursuant to section
12 43-1151.

13 D. The application for withdrawal is not considered complete until all
14 fees, penalties and costs required to be paid under this chapter have been
15 paid.

16 E. After determining that the application appears in all respects to
17 conform to the requirements of this chapter and when all fees have been paid
18 as are prescribed in this chapter, the commission shall file the application
19 in the manner provided in section 10-120. On the filing of the application
20 for withdrawal, the authority of the foreign corporation to transact business
21 in this state ceases.

22 F. WITHIN SIXTY DAYS AFTER THE COMMISSION APPROVES THE FILING, A COPY
23 OF THE APPLICATION FOR WITHDRAWAL SHALL BE PUBLISHED. AN AFFIDAVIT
24 EVIDENCING THE PUBLICATION MAY BE FILED WITH THE COMMISSION.

25 ~~F.~~ G. After withdrawal of the foreign corporation is effective,
26 service of process on the commission under this section is service on the
27 foreign corporation. On receipt of process, the commission shall mail a copy
28 of the process to the foreign corporation at the most recent mailing address
29 provided by the foreign corporation in the application or by notice to the
30 commission.

1 Sec. 14. Section 10-2019, Arizona Revised Statutes, is amended to
2 read:

3 10-2019. Annual report

4 The association shall make an annual report on forms furnished by the
5 corporation commission. ~~, containing a general statement of its business~~
6 ~~during the fiscal year showing:~~

- 7 ~~1. The number of members and amount of membership fees received.~~
8 ~~2. The total expense of operations.~~
9 ~~3. Its indebtedness or liabilities, and its balance sheets.~~

10 Sec. 15. Section 10-2077, Arizona Revised Statutes, is amended to
11 read:

12 10-2077. Dissolution

13 A. A cooperative which has not commenced business may be dissolved by
14 delivering to the corporation commission articles of dissolution, which shall
15 be executed by the cooperative and which shall state:

- 16 1. The name of the cooperative.
17 2. The address of its principal office.
18 3. That the cooperative has not commenced business.
19 4. That any monies received by the cooperative, less any part
20 disbursed for expenses of the cooperative, have been returned or paid to
21 those entitled to the monies.
22 5. That no debt of the cooperative is unpaid.
23 6. That a majority of the incorporators elect that the cooperative be
24 dissolved.

25 B. A cooperative which has commenced business may be dissolved in the
26 following manner:

- 27 1. The proposition to dissolve shall be submitted to the members of
28 the cooperative at any annual or special meeting, the notice of which shall
29 set forth the proposition.
30 2. The members at the meeting shall approve, by the affirmative vote
31 of not less than a majority of all members of the cooperative, the
32 proposition that the cooperative be dissolved.

1 3. Upon approval, a certificate of election to dissolve, designated in
2 this subsection as the "certificate", shall be executed by the cooperative.

3 4. The certificate shall state:

4 (a) The name of the cooperative.

5 (b) The address of its principal office.

6 (c) That the members of the cooperative have duly voted that the
7 cooperative be dissolved.

8 5. The certificate shall be submitted to the corporation commission
9 for filing.

10 6. Upon filing the certificate with the corporation commission the
11 cooperative shall cease to carry on its business except to the extent
12 necessary for winding up, but its corporate existence shall continue until
13 articles of dissolution have been filed with the corporation commission.

14 7. The board of directors shall immediately cause notice of the
15 dissolution proceedings to be mailed to each known creditor of and claimant
16 against the cooperative, and such notice shall be published once a week for
17 two successive weeks in a newspaper of general circulation in the county in
18 which the principal office of the cooperative is located.

19 8. The board of directors shall wind up and settle the affairs of the
20 cooperative, collect monies owing to it, liquidate its property and assets,
21 pay and discharge its debts, obligations and liabilities, other than those to
22 patrons arising by reason of their patronage, and do all other things
23 required to wind up its business. After paying or discharging or adequately
24 providing for the payment or discharge of all its debts, obligations and
25 liabilities, other than those to patrons arising by reason of their
26 patronage, the board of directors shall distribute any remaining sums, first
27 to patrons for the pro rata return of all amounts standing to their credit by
28 reason of their patronage, and second to members for the pro rata repayment
29 of membership fees. Any sums then remaining shall be distributed among its
30 members and former members in proportion to their patronage.

31 9. The board of directors shall thereupon authorize the execution of
32 articles of dissolution, which shall be executed by the cooperative.

1 the generation and transmission cooperative by a majority of the
2 incorporators, which shall state:

- 3 1. The name of the generation and transmission cooperative.
- 4 2. The address of its principal office.
- 5 3. The date of its incorporation.
- 6 4. That the generation and transmission cooperative has not commenced
7 business.
- 8 5. That the amount, if any, actually paid in on account of membership
9 fees, less any part disbursed for necessary expenses, has been returned to
10 those entitled and that all easements have been released to the grantors.
- 11 6. That no debt of the generation and transmission cooperative remains
12 unpaid.
- 13 7. That a majority of the incorporators ~~elects~~ ELECT that the
14 generation and transmission cooperative be dissolved. The articles of
15 dissolution shall be submitted to the corporation commission for filing as
16 provided in this article.

17 B. A generation and transmission cooperative ~~which~~ THAT has commenced
18 business may dissolve voluntarily and wind up its affairs in the following
19 manner:

20 1. The proposition that the generation and transmission cooperative be
21 dissolved must be submitted to the members of the generation and transmission
22 cooperative at any meeting. The meeting notice shall state the proposition.
23 The proposed voluntary dissolution is deemed to be approved on the
24 affirmative vote of not less than two-thirds of those members acting through
25 their voting delegates voting at the meeting.

26 2. On approval, a certificate of election to dissolve, designated the
27 "certificate", shall be executed by the generation and transmission
28 cooperative. The certificate shall BE SUBMITTED TO THE CORPORATION
29 COMMISSION FOR FILING AS PROVIDED IN THIS ARTICLE AND SHALL state:

- 30 (a) The name of the generation and transmission cooperative.
- 31 (b) The address of its principal office.
- 32 (c) The names and addresses of its directors.

1 (d) The total number of voting delegates of the generation and
2 transmission cooperative and the number of voting delegates who voted for and
3 against the voluntary dissolution of the generation and transmission
4 cooperative.

5 ~~The certificate shall be submitted to the corporation commission for~~
6 ~~filing as provided in this article.~~

7 3. On the filing of the certificate with the corporation commission,
8 the generation and transmission cooperative shall cease to carry on its
9 business except as is necessary for the winding up of business, but its
10 corporate existence continues until articles of dissolution have been filed
11 with the corporation commission.

12 4. After the filing of the certificate with the corporation
13 commission, the board of directors shall immediately mail notice of the
14 winding up of proceedings to each known creditor and claimant and publish
15 notice once a week for two successive weeks in a newspaper of general
16 circulation in the county in which the principal office of the generation and
17 transmission cooperative is located.

18 5. The board of directors has full power to wind up and settle the
19 affairs of the cooperative and shall proceed to collect the debts owing to
20 the generation and transmission cooperative, convey and dispose of its
21 property and assets, pay, satisfy and discharge its debts, obligations and
22 liabilities and do all other things required to liquidate its business and
23 affairs and, after paying or adequately providing for the payment of all its
24 debts, obligations and liabilities, shall distribute the remainder of its
25 property and assets among its members without priority in proportion to the
26 aggregate patronage of each member during the seven years next preceding the
27 date of filing the certificate, or, if the generation and transmission
28 cooperative was not in existence for such period, during the period of its
29 existence.

30 6. When all debts, liabilities and obligations of the generation and
31 transmission cooperative have been paid and discharged or adequate provision
32 has been made for them, and all the remaining property and assets of the

1 generation and transmission cooperative have been distributed to the members
2 pursuant to this section, the board of directors shall authorize the
3 execution of articles of dissolution. The articles of dissolution shall
4 state:

5 (a) The name of the generation and transmission cooperative.

6 (b) The address of the principal office of the generation and
7 transmission cooperative.

8 (c) That the generation and transmission cooperative has previously
9 delivered to the corporation commission a certificate of election to dissolve
10 and the date on which the certificate was filed by the corporation
11 commission.

12 (d) That all debts, obligations and liabilities of the generation and
13 transmission cooperative have been paid and discharged or that adequate
14 provision has been made for them.

15 (e) That all the remaining property and assets of the generation and
16 transmission cooperative have been distributed among the members in
17 accordance with this section.

18 (f) That there are no actions or suits pending against the generation
19 and transmission cooperative.

20 ~~The articles of dissolution accompanied by proof of the publication required~~
21 ~~in this subsection shall be submitted to the corporation commission for~~
22 ~~filing as provided in this article.~~

23 7. THE ARTICLES OF DISSOLUTION PREPARED PURSUANT TO PARAGRAPH 6 OF
24 THIS SUBSECTION SHALL BE DELIVERED TO THE COMMISSION FOR FILING. WITHIN
25 SIXTY DAYS AFTER THE COMMISSION APPROVES THE FILING, A COPY OF THE ARTICLES
26 OF DISSOLUTION SHALL BE PUBLISHED. AN AFFIDAVIT EVIDENCING THE PUBLICATION
27 MAY BE FILED WITH THE COMMISSION.

1 representative within five days after the determination of the refusal to
2 file, together with a brief written explanation of the reason for the
3 refusal.

4 ~~D.~~ E. The filing or refusing to file a document by the commission
5 does not:

6 1. Affect the validity or invalidity of the document in whole or in
7 part, except to the extent that filing is required to make the document
8 valid.

9 2. Relate to the correctness or incorrectness of information contained
10 in the document.

11 3. Create a presumption that the document is valid or invalid or that
12 information contained in the document is correct or incorrect.

13 Sec. 20. Section 10-3203, Arizona Revised Statutes, is amended to
14 read:

15 10-3203. Incorporation

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

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

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

31 D. Within sixty days after the commission ~~has approved~~ APPROVES the
32 filing, a copy of the articles of incorporation shall be published. An

1 affidavit evidencing the publication may be filed with the commission ~~within~~
2 ~~ninety days after approval by the commission of the filing of the articles of~~
3 ~~incorporation.~~

4 Sec. 21. Section 10-3224, Arizona Revised Statutes, is amended to
5 read:

6 10-3224. Recording and publication of articles of domestication

7 Within sixty days after the commission ~~has approved~~ APPROVES the filing
8 of the articles of domestication, a copy of the articles of domestication
9 shall be published. An affidavit evidencing the publication may be filed
10 with the commission ~~within ninety days after the approval by the commission~~
11 ~~of the filing of the articles of domestication.~~ If other laws require the
12 domesticated corporation to record its articles of incorporation, the
13 domesticated corporation shall also record the articles of domestication.

14 Sec. 22. Section 10-3504, Arizona Revised Statutes, is amended to
15 read:

16 10-3504. Service on corporation

17 A. The statutory agent appointed by a corporation is an agent of the
18 corporation on whom process, notice or demand that is required or permitted
19 by law to be served on the corporation may be served and that, when so
20 served, is lawful personal service on the corporation.

21 B. If a corporation fails to appoint or maintain a statutory agent at
22 the address shown on the records of the commission, the commission is an
23 agent of the corporation on whom any process, notice or demand may be served.
24 Pursuant to the Arizona rules of civil procedure, service on the commission
25 of any process, notice or demand for an entity that is registered pursuant to
26 this title shall be made by delivering to and leaving with the commission
27 duplicate copies of the process, notice or demand, and the commission shall
28 immediately cause one of the copies of the process, notice or demand to be
29 forwarded by mail, addressed to the corporation at its known place of
30 business. Service made on the commission is returnable pursuant to
31 applicable law relative to personal service on the corporation. If service
32 is made on the commission, whether under this chapter or a rule of court, the

1 corporation has thirty days to respond in addition to the time otherwise
2 provided by law.

3 C. The commission shall keep a permanent record of all processes,
4 notices and demands served on it under this section and shall record in the
5 record the time of the service and its action with reference to the service.

6 D. NOTICE REQUIRED TO BE SERVED ON A CORPORATION PURSUANT TO SECTION
7 10-11421 OR 10-11422 MAY BE SERVED:

8 1. BY MAIL ADDRESSED TO THE STATUTORY AGENT OF THE CORPORATION OR, IF
9 THE CORPORATION FAILS TO APPOINT AND MAINTAIN A STATUTORY AGENT, ADDRESSED TO
10 THE KNOWN PLACE OF BUSINESS REQUIRED TO BE MAINTAINED PURSUANT TO SECTION
11 10-3501.

12 2. PURSUANT TO THE RULES FOR SERVICE OF PROCESS AUTHORIZED BY THE
13 ARIZONA RULES OF CIVIL PROCEDURE.

14 Sec. 23. Section 10-11006, Arizona Revised Statutes, is amended to
15 read:

16 10-11006. Articles of amendment

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

- 19 1. The name of the corporation.
- 20 2. The text of each amendment adopted.
- 21 3. The date of each amendment's adoption.

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

25 B. Within sixty days after the commission ~~has approved~~ APPROVES the
26 filing, a copy of the articles of amendment shall be published. An affidavit
27 evidencing the publication may be filed with the commission ~~within ninety~~
28 ~~days after approval by the commission of the filing of the articles of~~
29 ~~amendment.~~

1 Sec. 24. Section 10-11007, Arizona Revised Statutes, is amended to
2 read:

3 10-11007. Restated articles of incorporation

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

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

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

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

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

27 1. Whether the restatement contains an amendment to the articles
28 requiring approval by any other person other than the board of directors and,
29 if it does not, that the board of directors adopted the restatement.

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

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

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

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

9 H. Within sixty days after the commission ~~has approved~~ APPROVES the
10 filing, a copy of the articles of restatement shall be published. An
11 affidavit evidencing the publication may be filed with the commission ~~within~~
12 ~~ninety days after approval by the commission of the filing of the articles of~~
13 ~~restatement.~~

14 Sec. 25. Section 10-11008, Arizona Revised Statutes, is amended to
15 read:

16 10-11008. Amendment pursuant to reorganization

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

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

- 27 1. The name of the corporation.
- 28 2. The text of each amendment contained in the plan of reorganization.
- 29 3. The date of the court's order or decree confirming the plan of
30 reorganization containing the articles of amendment.
- 31 4. The title of the reorganization proceeding in which the order or
32 decree was entered.

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

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

7 D. Within sixty days after the commission ~~has approved~~ APPROVES the
8 filing, a copy of the articles of merger or membership exchange shall be
9 published. An affidavit evidencing the publication may be filed with the
10 commission ~~within ninety days after approval by the commission of the filing~~
11 ~~of the articles of merger or membership exchange.~~

12 Sec. 27. Section 10-11107, Arizona Revised Statutes, is amended to
13 read:

14 10-11107. Merger or exchange with other entities

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

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

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

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

30 4. Rights or securities of or interests in an entity that is a party
31 to the merger or exchange may be exchanged for or converted into cash,

1 property, obligations, rights or securities of or interests in the surviving
2 or resulting entity.

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

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

6 2. The name of the surviving or acquiring entity.

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

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

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

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

18 2. Other provisions relating to the merger or exchange.

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

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

28 2. The articles of merger or exchange setting forth:

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

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

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

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

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

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

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

18 F. A merger or exchange takes effect at the effective time and date of
19 the articles of merger or exchange, as determined pursuant to section
20 10-3123.

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

26 H. Within sixty days after the commission ~~has approved~~ APPROVES the
27 filing, a copy of the articles of merger or share exchange shall be
28 published. An affidavit evidencing the publication may be filed with the
29 commission ~~within ninety days after approval by the commission of the filing~~
30 ~~of the articles of merger or share exchange.~~

31 I. When a merger takes effect:

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

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

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

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

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

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

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

27 K. Unless the plan of merger or exchange provides otherwise, each
28 entity that is a party to the merger or exchange may abandon the proposed
29 merger or exchange before the effective date of the merger or exchange in a
30 manner required by the laws of the jurisdiction in which the entity is
31 organized.

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

4 Sec. 28. Section 10-11403, Arizona Revised Statutes, is amended to
5 read:

6 10-11403. Articles of dissolution

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

10 1. The name of the corporation.

11 2. The date dissolution was authorized.

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

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

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

20 D. Within sixty days after the commission ~~has approved~~ APPROVES the
21 filing, a copy of the articles of dissolution shall be published. An
22 affidavit evidencing the publication may be filed with the commission ~~within~~
23 ~~ninety days after approval by the commission of the filing of the articles of~~
24 ~~dissolution.~~

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

1 Sec. 29. Section 10-11503, Arizona Revised Statutes, is amended to
2 read:

3 10-11503. Application for certificate of authority

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

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

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

15 3. Its date of incorporation and period of duration.

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

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

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

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

27 8. Whether the foreign corporation has members.

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

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

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

14 D. Within sixty days after the commission ~~has approved~~ APPROVES the
15 filing, a copy of the application shall be published. An affidavit
16 evidencing the publication may be filed ~~within ninety days after approval by~~
17 ~~the commission of the filing of the application~~ WITH THE COMMISSION.

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

20 Sec. 30. Section 10-11510, Arizona Revised Statutes, is amended to
21 read:

22 10-11510. Service on foreign corporation

23 A. The statutory agent appointed by a foreign corporation is an agent
24 of the foreign corporation on whom process, notice or demand that is required
25 or permitted by law to be served on the foreign corporation may be served and
26 that, when so served, is lawful personal service on the foreign corporation.

27 B. If a foreign corporation fails to appoint or maintain a statutory
28 agent at the address shown on the records of the commission, the commission
29 is an agent of the foreign corporation on whom any process, notice or demand
30 may be served. Pursuant to the Arizona rules of civil procedure, service on
31 the commission of any process, notice or demand for an entity that is
32 registered pursuant to this title shall be made by delivering to and leaving

1 with the commission duplicate copies of the process, notice or demand, and
2 the commission shall immediately cause one of the copies of the process,
3 notice or demand to be forwarded by mail, addressed to the foreign
4 corporation at its known place of business. Service made on the commission
5 is returnable pursuant to applicable law relative to personal service on the
6 foreign corporation. If service is made on the commission, whether under this
7 chapter or a rule of court, the foreign corporation has thirty days to
8 respond in addition to the time otherwise provided by law.

9 C. The commission shall keep a permanent record of all processes,
10 notices and demands served on it under this section and shall record in the
11 record the time of the service and its action with reference to the service.

12 D. NOTICE REQUIRED TO BE SERVED ON A FOREIGN CORPORATION PURSUANT TO
13 SECTION 10-11531 MAY BE SERVED:

14 1. BY MAIL ADDRESSED TO THE STATUTORY AGENT OF THE FOREIGN CORPORATION
15 OR, IF THE FOREIGN CORPORATION FAILS TO APPOINT AND MAINTAIN A STATUTORY
16 AGENT, ADDRESSED TO ITS KNOWN PLACE OF BUSINESS IN THIS STATE OR ITS
17 PRINCIPAL PLACE OF BUSINESS IN ITS STATE OR COUNTRY OF INCORPORATION.

18 2. PURSUANT TO THE RULES FOR SERVICE OF PROCESS AUTHORIZED BY THE
19 ARIZONA RULES OF CIVIL PROCEDURE.

20 Sec. 31. Section 10-11520, Arizona Revised Statutes, is amended to
21 read:

22 10-11520. Withdrawal of foreign corporation

23 A. A foreign corporation authorized to conduct affairs in this state
24 shall not withdraw from this state until the commission files its application
25 for withdrawal.

26 B. A foreign corporation authorized to conduct affairs in this state
27 may apply to surrender the authority by delivering an application to the
28 commission for filing. The application shall set forth:

29 1. The name of the foreign corporation and the name of the state or
30 country under whose law it is incorporated.

1 2. That it is not conducting affairs in this state and that it
2 surrenders its authority to conduct affairs in this state.

3 3. That the foreign corporation revokes the authority of its statutory
4 agent to accept service on its behalf and appoints the commission as its
5 agent for service of process in any proceeding based on a cause of action
6 arising during the time it was authorized to conduct affairs in this state.

7 4. A mailing address to which the commission may mail a copy of any
8 process served on the commission pursuant to its appointment as the foreign
9 corporation's agent for service of process.

10 5. A commitment to notify the commission in the future of any change
11 in the foreign corporation's mailing address.

12 C. The application for withdrawal is not considered complete until the
13 commission has received a notice from the department of revenue to the effect
14 that the tax levied under title 42, chapter 5, article 1 against the foreign
15 corporation has been paid or until it is notified by the department of
16 revenue that the applicant is not subject to the tax and further has received
17 from the department of revenue its certificate issued pursuant to section
18 43-1151.

19 D. The application for withdrawal is not considered complete until all
20 fees, penalties and costs required to be paid under this chapter have been
21 paid.

22 E. After determining that the application appears in all respects to
23 conform to the requirements of this chapter and when all fees have been paid
24 as are prescribed in this chapter, the commission shall file the application
25 in the manner provided in section 10-3120. On the filing of the application
26 for withdrawal, the authority of the foreign corporation to transact business
27 in this state ceases.

28 F. WITHIN SIXTY DAYS AFTER THE COMMISSION APPROVES THE FILING, A COPY
29 OF THE APPLICATION FOR WITHDRAWAL SHALL BE PUBLISHED. AN AFFIDAVIT
30 EVIDENCING THE PUBLICATION MAY BE FILED WITH THE COMMISSION.

1 ~~F.~~ G. After the withdrawal of the corporation is effective, service
2 of process on the commission under this section is service on the foreign
3 corporation. On receipt of process, the commission shall mail a copy of the
4 process to the foreign corporation at the mailing address set forth in its
5 application for withdrawal.

6 Sec. 32. Section 29-603, Arizona Revised Statutes, is amended to read:

7 29-603. Reservation of name

8 A. The exclusive right to use a name may be reserved by:

9 1. A person intending to organize a limited liability company under
10 this chapter and to adopt the name.

11 2. A domestic limited liability company or any foreign limited
12 liability company registered in this state that intends to adopt the name.

13 3. A foreign limited liability company intending to register in this
14 state and to adopt the name.

15 4. A person intending to organize a foreign limited liability company
16 and to have it registered in this state and to adopt the name.

17 B. The reservation shall be made by filing with the commission an
18 application that is executed by the applicant or an authorized agent of the
19 applicant to reserve a specified name. If the commission finds that the name
20 is available for use by a domestic or foreign limited liability company, it
21 shall reserve the name for the exclusive use of the applicant for a
22 **NONRENEWABLE** period of one hundred twenty days from and after the date the
23 application is filed with the commission.

24 C. The right to the exclusive use of a reserved name may be
25 transferred to another person by filing with the commission a notice of the
26 transfer that is executed by the applicant or an authorized agent of the
27 applicant for whom the name was reserved and that specifies the name to be
28 transferred and the name and address of the transferee. The transfer shall
29 not extend the term during which the name is reserved.

1 B. A limited liability company shall amend its articles of
2 organization if there is a statement in the articles of organization that was
3 false or erroneous when it was made or within thirty days after the
4 occurrence of any of the following events:

5 1. Any arrangements or facts have changed making the articles of
6 organization inaccurate in any respect other than those changes required to
7 be set forth in a statement delivered to the commission pursuant to section
8 29-605.

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

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

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

21 1. Change the name of the limited liability company.

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

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

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

29 D. A limited liability company may restate its articles of
30 organization. Restated articles of organization shall be executed and filed
31 in the same manner as articles of amendment. Restated articles of
32 organization shall be specifically designated as such in the heading and

1 shall state either in the heading or in an introductory paragraph the limited
2 liability company's present name and, if it has been changed, all of its
3 former names.

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

13 F. Within sixty days after the commission ~~has approved~~ APPROVES the
14 filing, A COPY of the articles of amendment or restated articles of
15 organization ~~there~~ shall be published in a newspaper of general circulation
16 in the county of the known place of business for three consecutive
17 publications ~~a copy of the articles of amendment or restated articles of~~
18 ~~organization.~~ An affidavit evidencing publication ~~shall~~ MAY be filed ~~within~~
19 ~~ninety days after approval by~~ WITH the commission ~~of the filing of the~~
20 ~~amendment of the articles of organization.~~ Publication is not required if
21 amendments to the articles of organization ~~are made solely in relation to~~
22 ~~changes in managers or members of the limited liability company or changes~~
23 ~~made pursuant to section 29-605~~ OR RESTATED ARTICLES OF ORGANIZATION ONLY
24 CHANGE ANY OF THE FOLLOWING:

- 25 1. THE NAME OR ADDRESS OF MEMBERS OR MANAGERS.
- 26 2. THE KNOWN PLACE OF BUSINESS ADDRESS.
- 27 3. THE NAME OR ADDRESS OF THE STATUTORY AGENT.

28 Sec. 35. Section 29-634, Arizona Revised Statutes, is amended to read:
29 29-634. Filing with the commission

30 A. ~~One copy of~~ The signed original articles of organization, THE
31 application for a certificate of registration or any other document required
32 to be filed pursuant to this chapter shall be delivered to the commission.

1 The commission shall file a document delivered to the commission for filing
2 if all of the following apply:

3 1. The commission determines that the document conforms to the filing
4 provisions of this chapter.

5 2. The limited liability company filing the document or on whose
6 behalf the document is being filed, ~~is~~ is in good standing within the meaning
7 of section 29-614.

8 3. All fees required pursuant to section 29-851 have been paid.

9 B. The commission may file a document delivered to the commission IN
10 WHICH EITHER THE LIMITED LIABILITY COMPANY HAS FILED ARTICLES OF TERMINATION
11 OR THE LIMITED LIABILITY COMPANY HAS FILED A DOCUMENT that is required to
12 bring the limited liability company into good standing. The commission
13 shall:

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

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

17 3. Return a ~~duplicate~~ copy OF THE FILED DOCUMENT to the person who
18 filed it or the person's representative.

19 C. If the commission is unable to make the determination required for
20 filing by subsection A of this section at the time any documents are
21 delivered for filing, the documents are deemed to have been filed at the time
22 of delivery if the commission subsequently determines either of the
23 following:

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

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

29 D. A document may specify a delayed effective time or date, or both,
30 and is effective at that specified time and date. If the document specifies
31 a delayed effective date but does not specify the time, the document is
32 effective on the specified date at 12:01 a.m. mountain standard time. A

1 delayed effective date for a document may not be later than the ninetieth day
2 after the date the document is delivered to the commission for filing.

3 E. If the filing and determination requirements of this chapter are
4 not satisfied completely within the time prescribed in subsection ~~B~~ C,
5 paragraph 2 of this section, the documents shall not be filed.

6 Sec. 36. Section 29-635, Arizona Revised Statutes, is amended to read:
7 29-635. Formation of limited liability company

8 A. Except as provided in section 29-634, subsection D, a limited
9 liability company is formed when the articles of organization are delivered
10 to the commission for filing, even if the commission is unable to make the
11 determination required for filing by section 29-634, subsection A at the time
12 of delivery. If the articles of organization, as delivered to the
13 commission, do not conform to the filing provisions of this chapter and are
14 not brought into conformance within the time period prescribed by section
15 29-634, subsection C, paragraph 2, the existence of the limited liability
16 company terminates at the end of the time period.

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

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

Senate Amendments to H.B. 2199

- 1 ~~after approval by the commission of the filing of the articles of~~
- 2 ~~organization~~ WITH THE COMMISSION."
- 3 Amend title to conform

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