

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE BILL 2273

AN ACT

AMENDING SECTIONS 10-122.01, 10-401, 10-402, 10-720, 10-1506, 10-1622, 10-2054, 10-2124, 10-2215, 10-3401, 10-3402 AND 10-11506, ARIZONA REVISED STATUTES; REPEALING SECTIONS 10-504, 10-1510, 10-3504 AND 10-11510, ARIZONA REVISED STATUTES; REPEALING SECTION 10-3122, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2005, CHAPTER 253, SECTION 5; AMENDING SECTION 10-3122, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2005, CHAPTER 262, SECTION 2; AMENDING TITLE 10, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-504; AMENDING TITLE 10, CHAPTER 15, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-1510; AMENDING TITLE 10, CHAPTER 28, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-3504; AMENDING TITLE 10, CHAPTER 38, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-11510; AMENDING SECTIONS 10-11632, 29-601, 29-602, 29-606, 29-633, 29-634, 29-781, 29-841, 29-841.01 AND 29-845, ARIZONA REVISED STATUTES; RELATING TO CORPORATIONS AND LIMITED LIABILITY COMPANIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 10-122.01, Arizona Revised Statutes, is amended to
3 read:
4 10-122.01. Public access fund; purpose; exemption; money on
5 deposit account
6 A. A public access fund is established. The commission shall
7 administer the fund. The fund consists of monies received pursuant to:
8 1. Section 10-122, subsections F, G, H and K.
9 2. Section 10-3122, subsections ~~E, F, G~~ I and ~~J~~ K.
10 3. Section 29-851, subsections E and F.
11 B. Except as provided in subsection C of this section:
12 1. Monies in the fund are subject to legislative appropriation.
13 2. The commission shall spend monies in the fund for a part of the
14 general administrative and legal expenses of the commission and to purchase,
15 install and maintain an improved data processing system on the premises of
16 the commission. The data processing system shall be designed to allow direct
17 on-line access by any person at a remote location to all public records that
18 are filed with the commission pursuant to this title and title 29, chapter 4.
19 3. When sufficient monies have been collected pursuant to section
20 10-122, subsections F, G and H, section 10-3122, ~~subsections E, F and G~~
21 **SUBSECTION I** and section 29-851, subsection E to pay for the purchase and
22 installation of the data processing system, the commission shall not charge
23 and collect the fees prescribed in section 10-122, subsection H or section
24 10-3122, subsection ~~G~~ H.
25 4. Monies in the fund are exempt from the provisions of section 35-190
26 relating to lapsing of appropriations, except that any unencumbered monies in
27 excess of two hundred thousand dollars at the end of each fiscal year revert
28 to the state general fund.
29 C. The money on deposit account is established in the public access
30 fund as a separate account consisting of monies received pursuant to section
31 10-122, subsection K, section 10-3122, subsection ~~J~~ K and section 29-851,
32 subsection F. Monies in the money on deposit account:
33 1. Are held in trust by the commission.
34 2. May be withdrawn by the commission only:
35 (a) To cover fees that are due pursuant to this title or title 29,
36 chapter 4 on delivery of documents for filing or on a request for services by
37 a person who advanced monies to the commission pursuant to section 10-122,
38 subsection K, section 10-3122, subsection ~~J~~ K or section 29-851,
39 subsection F.
40 (b) To refund the monies advanced in subdivision (a) **OF THIS PARAGRAPH**
41 if the person who requested services pursuant to subdivision (a) **OF THIS**
42 **PARAGRAPH** requests the refund.
43 (c) For the disposition of unclaimed property pursuant to title 44,
44 chapter 3.

- 1 3. Are not subject to either:
2 (a) Legislative appropriation.
3 (b) Reversion to the state general fund.
4 Sec. 2. Section 10-401, Arizona Revised Statutes, is amended to read:
5 10-401. Corporate name
6 A. A corporate name:
7 1. Shall contain the word "association", "bank", "company",
8 "corporation", "limited" or "incorporated" or an abbreviation of one of these
9 words or words or abbreviations of like import in another language.
10 2. Shall not contain language stating or implying that the corporation
11 is organized for a purpose other than that permitted by section 10-301 and
12 its articles of incorporation.
13 3. Notwithstanding paragraph 1 of this subsection, shall not include
14 the words "bank", "deposit", "CREDIT UNION", "trust" or "trust company"
15 separately or in combination to indicate or convey the idea that the
16 corporation is engaged in banking or trust business unless the corporation is
17 to be and becomes actively and substantially engaged in the banking, CREDIT
18 UNION or trust business or the corporation is a holding company holding
19 substantial interest in companies actively and substantially engaged in the
20 banking or trust business.
21 4. SHALL NOT CONTAIN THE WORDS "LIMITED LIABILITY COMPANY" OR "LIMITED
22 COMPANY" OR THE ABBREVIATIONS "L.L.C.", "L.C.", "LLC" OR "LC", IN UPPERCASE
23 OR LOWERCASE LETTERS.
24 B. Except as authorized by subsections C and D of this section, a
25 corporate name shall be distinguishable from all of the following:
26 1. The corporate name of a corporation incorporated in this state or a
27 foreign corporation authorized to transact business in this state.
28 2. A corporate name reserved under section 10-402 or registered under
29 section 10-403.
30 3. A fictitious name adopted by a foreign corporation under section
31 10-1506.
32 4. The corporate name of a nonprofit corporation incorporated under
33 this title or a foreign nonprofit or not for profit corporation authorized to
34 conduct affairs in this state.
35 5. The partnership name of a limited partnership organized and
36 registered under the laws of this state or of a foreign limited partnership
37 authorized to transact business in this state.
38 6. The name of a limited liability company organized under title 29,
39 chapter 4 or a foreign limited liability company authorized to transact
40 business in this state.
41 7. A trade name registered pursuant to title 44, chapter 10,
42 article 3.1.
43 8. The name of a registered limited liability partnership registered
44 under title 29, chapter ~~2- 5~~, article ~~7- 10~~ or a foreign registered limited
45 liability partnership authorized to transact business in this state.

1 C. A corporation may apply to the commission for authorization to use
2 a name that is not distinguishable from one or more of the names described in
3 subsection B of this section. The commission shall authorize use of the name
4 applied for if either:

5 1. The other ~~corporation~~ ENTITY consents to the use in writing and
6 submits an undertaking in a form satisfactory to the commission to change its
7 name to a name that is distinguishable from the name of the applying
8 corporation.

9 2. The applicant delivers to the commission a certified copy of the
10 final judgment of a court of competent jurisdiction establishing the
11 applicant's right to use the name applied for in this state.

12 D. A corporation may use the name, including a fictitious name, of
13 another domestic or foreign corporation that is used in this state if the
14 other corporation is incorporated or authorized to transact business in this
15 state and the proposed user corporation either has:

16 1. Merged with the other corporation.

17 2. Been formed by reorganization of the other corporation.

18 3. Acquired all or substantially all of the assets, including the
19 corporate name, of the other corporation.

20 E. Chapters 1 through 17 of this title do not control the use of
21 fictitious names.

22 Sec. 3. Section 10-402, Arizona Revised Statutes, is amended to read:

23 10-402. Reserved name

24 A. A person may reserve the exclusive use of a corporate name,
25 including a fictitious name to be adopted by a foreign corporation under
26 section 10-1506, by delivering an application to the commission for
27 filing. The application shall **BE EXECUTED BY THE APPLICANT AND SHALL** set
28 forth the name and address of the applicant and the name proposed to be
29 reserved. If the commission finds that the corporate name applied for is
30 available, it shall reserve the name for the applicant's exclusive use for a
31 nonrenewable one hundred twenty day period.

32 B. The owner of a reserved corporate name may transfer the reservation
33 to another person by delivering to the commission a signed notice of the
34 transfer that states the name and address of the transferee. The transfer
35 shall not extend the period for which the name is reserved.

36 Sec. 4. Repeal

37 Section 10-504, Arizona Revised Statutes, is repealed.

38 Sec. 5. Title 10, chapter 5, article 1, Arizona Revised Statutes, is
39 amended by adding a new section 10-504, to read:

40 10-504. Service on corporation

41 **A. THE STATUTORY AGENT APPOINTED BY A CORPORATION IS AN AGENT OF THE**
42 **CORPORATION ON WHOM PROCESS, NOTICE OR DEMAND THAT IS REQUIRED OR PERMITTED**
43 **BY LAW TO BE SERVED ON THE CORPORATION MAY BE SERVED AND THAT, WHEN SO**
44 **SERVED, IS LAWFUL PERSONAL SERVICE ON THE CORPORATION.**

1 B. IF A CORPORATION FAILS TO APPOINT OR MAINTAIN A STATUTORY AGENT AT
2 THE ADDRESS SHOWN ON THE RECORDS OF THE COMMISSION, THE COMMISSION IS AN
3 AGENT OF THE CORPORATION ON WHOM PROCESS, NOTICE OR DEMAND MAY BE SERVED.
4 PURSUANT TO THE ARIZONA RULES OF CIVIL PROCEDURE, SERVICE ON THE COMMISSION
5 OF ANY PROCESS, NOTICE OR DEMAND FOR AN ENTITY THAT IS REGISTERED PURSUANT TO
6 THIS TITLE SHALL BE MADE BY DELIVERING TO AND LEAVING WITH THE COMMISSION
7 DUPLICATE COPIES OF THE PROCESS, NOTICE OR DEMAND, AND THE COMMISSION SHALL
8 IMMEDIATELY CAUSE ONE OF THE COPIES OF THE PROCESS, NOTICE OR DEMAND TO BE
9 FORWARDED BY MAIL, ADDRESSED TO THE CORPORATION AT ITS KNOWN PLACE OF
10 BUSINESS. SERVICE MADE ON THE COMMISSION IS RETURNABLE PURSUANT TO
11 APPLICABLE LAW RELATIVE TO PERSONAL SERVICE ON THE CORPORATION. IF SERVICE
12 IS MADE ON THE COMMISSION, WHETHER UNDER THIS CHAPTER OR A RULE OF COURT, THE
13 CORPORATION HAS THIRTY DAYS TO RESPOND IN ADDITION TO THE TIME OTHERWISE
14 PROVIDED BY LAW.

15 C. THE COMMISSION SHALL KEEP A PERMANENT RECORD OF ALL PROCESSES,
16 NOTICES AND DEMANDS SERVED ON IT UNDER THIS SECTION AND SHALL RECORD IN THE
17 RECORD THE TIME OF THE SERVICE AND ITS ACTION WITH REFERENCE TO THE SERVICE.

18 Sec. 6. Section 10-720, Arizona Revised Statutes, is amended to read:
19 10-720. Shareholders' list for meeting

20 A. After fixing a record date for a meeting, a corporation shall
21 prepare an alphabetical list of the names of all of its shareholders who are
22 entitled to notice of a shareholders' meeting. The list shall be arranged by
23 voting group, and within each voting group by class or series of shares, and
24 shall show the address of and number of shares held by each shareholder.

25 B. The shareholders' list shall be available for inspection by any
26 shareholder, beginning two business days after notice of the meeting is given
27 for which the list was prepared and continuing through the meeting, at the
28 corporation's principal office, the office of the corporation's transfer
29 agent if specified in the meeting notice or at another place identified in
30 the meeting notice in the city where the meeting will be held. A
31 shareholder, its agent or its attorney on written demand may inspect and,
32 subject to the requirements of section 10-1602, subsection C, may copy the
33 list, during regular business hours and at his expense, during the period it
34 is available for inspection.

35 C. The corporation shall make the shareholders' list available at the
36 meeting, and any shareholder, its agent or its attorney may inspect the list
37 at any time during the meeting or any adjournment.

38 D. If the corporation refuses to allow a shareholder, its agent or its
39 attorney to inspect the shareholders' list before or at the meeting or copy
40 the list as permitted by subsection B of this section, the court in the
41 county where a corporation's principal office, or, if none in this state, its
42 ~~registered office~~ KNOWN PLACE OF BUSINESS, is located, on application of the
43 shareholder, may summarily order the inspection or copying at the
44 corporation's expense and may postpone the meeting for which the list was
45 prepared until the inspection or copying is complete.

1 E. Refusal or failure to prepare or make available the shareholders'
2 list does not affect the validity of action taken at the meeting.

3 Sec. 7. Section 10-1506, Arizona Revised Statutes, is amended to read:
4 10-1506. Corporate name of foreign corporation

5 A. If the corporate name of a foreign corporation does not satisfy the
6 requirements of section 10-401, to obtain or maintain a grant of authority to
7 transact business in this state the foreign corporation:

8 1. Shall either:

9 (a) Add the word "association", "bank", "company", "corporation" or
10 "incorporated" or an abbreviation of one of these words to its corporate name
11 for use in this state.

12 (b) Use a fictitious name that satisfies the requirements of section
13 10-401 to transact business in this state if its real name is unavailable and
14 it delivers to the commission for filing a copy of the resolution of its
15 board of directors, certified by its secretary, adopting the fictitious name.

16 2. Shall not include language in its corporate name stating or
17 implying that the foreign corporation is organized for a purpose other than
18 that permitted by section 10-301 and its articles of incorporation.

19 3. Notwithstanding paragraph 1, subdivision (a) of this subsection,
20 shall not include the words "bank", "deposit", "CREDIT UNION", "trust" or
21 "trust company" separately or in combination in its corporate name to
22 indicate or convey the idea that the foreign corporation is engaged in
23 banking or trust business unless the foreign corporation is to be and becomes
24 actively and substantially engaged in the banking, CREDIT UNION or trust
25 business or the foreign corporation is a holding company holding a
26 substantial interest in companies actively and substantially engaged in the
27 banking or trust business.

28 B. Except as authorized by subsections C and D of this section, the
29 corporate name, including a fictitious name, of a foreign corporation shall
30 be distinguishable from:

31 1. The corporate name of a corporation incorporated in this state or a
32 foreign corporation authorized to transact business in this state.

33 2. A corporate name reserved under section 10-402 or registered under
34 section 10-403.

35 3. The fictitious name adopted by another foreign corporation under
36 this section.

37 4. The corporate name of a nonprofit corporation incorporated under
38 this title or a foreign nonprofit or not for profit corporation authorized to
39 conduct affairs in this state.

40 5. The partnership name of a limited partnership organized and
41 registered under the laws of this state or of a foreign limited partnership
42 authorized to transact business in this state.

43 6. The name of a limited liability company organized under title 29,
44 chapter 4 or a foreign limited liability company authorized to transact
45 business in this state.

1 7. A trade name registered pursuant to title 44, chapter 10,
2 article 3.1.

3 8. The name of a registered limited liability partnership registered
4 under title 29, chapter ~~2- 5~~, article ~~7- 10~~ or a foreign registered limited
5 liability partnership authorized to transact business in this state.

6 C. Notwithstanding subsection B of this section, the commission shall
7 authorize the use of a name that is not distinguishable under subsection B of
8 this section from one or more of the names described in subsection B of this
9 section if the applicant delivers to the commission a certified copy of a
10 final judgment of a court of competent jurisdiction establishing the
11 applicant's right to use the name applied for in this state.

12 D. If a foreign corporation authorized to transact business in this
13 state changes its corporate name to one that does not satisfy the
14 requirements of section 10-401, it may not transact business in this state
15 under the changed name until it adopts a name satisfying the requirements of
16 section 10-401 and obtains new authority under section 10-1504.

17 Sec. 8. Repeal

18 Section 10-1510, Arizona Revised Statutes, is repealed.

19 Sec. 9. Title 10, chapter 15, article 1, Arizona Revised Statutes, is
20 amended by adding a new section 10-1510, to read:

21 10-1510. Service on foreign corporation

22 A. THE STATUTORY AGENT APPOINTED BY A FOREIGN CORPORATION IS AN AGENT
23 OF THE FOREIGN CORPORATION ON WHOM PROCESS, NOTICE OR DEMAND THAT IS REQUIRED
24 OR PERMITTED BY LAW TO BE SERVED ON THE FOREIGN CORPORATION MAY BE SERVED AND
25 THAT, WHEN SO SERVED, IS LAWFUL PERSONAL SERVICE ON THE FOREIGN CORPORATION.

26 B. IF A FOREIGN CORPORATION FAILS TO APPOINT OR MAINTAIN A STATUTORY
27 AGENT AT THE ADDRESS SHOWN ON THE RECORDS OF THE COMMISSION, THE COMMISSION
28 IS AN AGENT OF THE FOREIGN CORPORATION ON WHOM ANY PROCESS, NOTICE OR DEMAND
29 MAY BE SERVED. PURSUANT TO THE ARIZONA RULES OF CIVIL PROCEDURE, SERVICE ON
30 THE COMMISSION OF ANY PROCESS, NOTICE OR DEMAND SHALL BE MADE BY DELIVERING
31 TO AND LEAVING WITH THE COMMISSION DUPLICATE COPIES OF THE PROCESS, NOTICE OR
32 DEMAND, AND THE COMMISSION SHALL IMMEDIATELY CAUSE ONE OF THE COPIES OF THE
33 PROCESS, NOTICE OR DEMAND TO BE FORWARDED BY MAIL, ADDRESSED TO THE FOREIGN
34 CORPORATION AT ITS KNOWN PLACE OF BUSINESS. SERVICE MADE ON THE COMMISSION IS
35 RETURNABLE PURSUANT TO APPLICABLE LAW RELATIVE TO PERSONAL SERVICE ON THE
36 CORPORATION. IF SERVICE IS MADE ON THE COMMISSION, WHETHER UNDER THIS CHAPTER
37 OR A RULE OF COURT, THE FOREIGN CORPORATION HAS THIRTY DAYS TO RESPOND IN
38 ADDITION TO THE TIME OTHERWISE PROVIDED BY LAW.

39 C. THE COMMISSION SHALL KEEP A PERMANENT RECORD OF ALL PROCESSES,
40 NOTICES AND DEMANDS SERVED ON IT UNDER THIS SECTION AND SHALL RECORD IN THE
41 RECORD THE TIME OF THE SERVICE AND ITS ACTION WITH REFERENCE TO THE SERVICE.

1 Sec. 10. Section 10-1622, Arizona Revised Statutes, is amended to
2 read:

3 10-1622. Annual report

4 A. Each domestic corporation and each foreign corporation authorized
5 to transact business in this state shall deliver to the commission for filing
6 an annual report that sets forth all of the following:

7 1. The name of the corporation and the state or country under whose
8 law it is incorporated.

9 2. The address of its known place of business and the name and address
10 of its statutory agent in this state.

11 3. The address of its principal office.

12 4. The names and business addresses of its directors and principal
13 officers.

14 5. A brief description of the nature of its business.

15 6. The total number of authorized shares, itemized by class and
16 series, if any, within each class.

17 7. The total number of issued and outstanding shares, itemized by
18 class or series, if any, within each class.

19 8. A certificate of disclosure containing the information set forth in
20 section 10-202, subsection D.

21 9. The names of shareholders of record of the corporation holding more
22 than twenty per cent of any class of shares issued by the corporation,
23 including persons beneficially holding the shares through nominees.

24 10. A statement that all corporate income tax returns required by title
25 43 have been filed with the department of revenue.

26 B. Information in the annual report shall be current as of the date
27 the annual report is executed on behalf of the corporation.

28 C. The annual report for all corporations shall be delivered to the
29 commission for filing, and the annual fee shall be paid on or before the date
30 assigned by the commission. The commission may stagger the annual report
31 filing date for all corporations and adjust the annual registration fee on a
32 pro rata basis. The corporation shall deliver the annual report to the
33 commission for filing each subsequent year in the anniversary month on the
34 date determined by the commission. If a corporation is unable to file the
35 annual report required by this section on or before the date prescribed by
36 this section, the corporation may file, but only on or before this date, a
37 written request with the commission for an extension of time, not to exceed
38 six months, in which to file the annual report. The request for an extension
39 of time shall be accompanied by the annual registration fee required by law.
40 After filing the request for an extension of time and on receipt of the
41 annual registration fee, the commission shall grant the request.

42 D. If an annual report does not contain the information required by
43 this section, the commission shall promptly notify the reporting domestic or
44 foreign corporation in writing and shall return the report to it for
45 correction. If the report is corrected to contain the information required

1 by this section and delivered to the commission within thirty days after the
2 effective date of notice, it is deemed to be timely filed.

3 E. Any corporation that is exempt from the requirement of filing an
4 annual report shall deliver annually a certificate of disclosure that
5 contains the information set forth in section 10-202, subsection D and that
6 is executed by any two executive officers or directors of the corporation on
7 or before May 31. If the certificate is not delivered within ninety days
8 after the due date of the annual report or within ninety days after May 31 in
9 the case of any corporation that is exempt from the requirement of filing an
10 annual report, the commission shall initiate administrative dissolution of
11 that corporation in accordance with chapters 1 through 17 of this title.

12 F. If the annual report is not delivered for filing and the fee is not
13 paid within the time specified by this section, the commission shall assess
14 and, upon collection, deposit, pursuant to sections 35-146 and 35-147,
15 penalties of twenty per cent per month or fraction of the month of the fees
16 then due until EITHER THE payment is made, OR the domestic corporation is
17 administratively dissolved or the authority of the foreign corporation is
18 revoked, WHICHEVER OCCURS FIRST. Beginning January 1, 1999, this subsection
19 does not apply to nonprofit corporations organized under chapters 24 through
20 ~~40~~ 42 of this title.

21 Sec. 11. Section 10-2054, Arizona Revised Statutes, is amended to
22 read:

23 10-2054. Name

24 A. The name of a cooperative shall include the words "electric" and
25 "cooperative," and the abbreviation "inc.," unless, in a statement executed
26 by the cooperative and filed with the corporation commission, or in an
27 affidavit made by a person signing the articles of incorporation,
28 consolidation, merger or conversion, which relate to the cooperative, and
29 filed, together with the articles, with the corporation commission, it
30 appears that the cooperative desires to do business in another state and is
31 or would be precluded from doing so by reason of the inclusion of either or
32 both of those words in its name.

33 B. The name of a cooperative shall be ~~distinct~~ DISTINGUISHABLE from
34 the name of any other cooperative or corporation organized under the laws of,
35 or authorized to do business in, this state. Only a cooperative doing
36 business in this state pursuant to this article shall use both the words
37 "electric" and "cooperative" in its name, but this section shall not apply to
38 any corporation which becomes subject to this article by complying with ~~the~~
39 ~~provisions of~~ section 10-2076 and which elects to retain a corporate name
40 which does not comply with this section. The restriction on the use of the
41 words "electric" and "cooperative" does not apply to generation and
42 transmission cooperatives organized under article 4 of this chapter.

1 Sec. 12. Section 10-2124, Arizona Revised Statutes, is amended to
2 read:

3 10-2124. Use of name

4 A. The name of a generation and transmission cooperative shall include
5 the word "cooperative" and the abbreviation "inc.", unless, in a statement
6 executed by the cooperative and filed with the corporation commission, it
7 appears that the generation and transmission cooperative desires to transact
8 business in another state and would be precluded from doing so by reason of
9 including these words in its name.

10 B. The name of the generation and transmission cooperative must be
11 ~~distinct~~ **DISTINGUISHABLE** from the name of any other cooperative or
12 corporation organized under the laws of or authorized to do business in this
13 state. Only a generation and transmission cooperative doing business in this
14 state pursuant to this article may use all of the words "electric", "power"
15 and "cooperative" in its name.

16 Sec. 13. Section 10-2215, Arizona Revised Statutes, is amended to
17 read:

18 10-2215. Corporation name

19 A. The name of a domestic professional corporation and of a foreign
20 professional corporation authorized to transact business in this state, in
21 addition to satisfying the requirements of sections 10-401 and 10-1506,
22 shall:

23 1. Contain the words "professional corporation", "professional
24 association", "service corporation", "limited" or "chartered" or the
25 abbreviation "P.C.", "P.A.", "S.C.", "Ltd.", ~~or~~ "Chtd.", "PC", "PA", "SC",
26 "LTD" OR "CHTD".

27 2. Not contain language stating or implying that it is incorporated
28 for a purpose other than that authorized by section 10-2211 and its articles
29 of incorporation.

30 3. Conform with any rule adopted by the licensing authority having
31 jurisdiction over a professional service described in the corporation's
32 articles of incorporation.

33 B. Sections 10-401 and 10-1506 do not prevent the use of a name
34 otherwise prohibited by those sections if it is the personal name of a
35 shareholder or former shareholder of the domestic or foreign professional
36 corporation or the name of an individual who was associated with a
37 predecessor of the corporation.

38 Sec. 14. Repeal

39 Section 10-3122, Arizona Revised Statutes, as amended by Laws 2005,
40 chapter 253, section 5, is repealed.

1 Sec. 15. Section 10-3122, Arizona Revised Statutes, as amended by Laws
2 2005, chapter 262, section 2, is amended to read:

3 10-3122. Filing, service and copying fees; public access fund;
4 expedited report filing and access; same day and
5 next day services

6 A. The commission shall collect and deposit, pursuant to sections
7 35-146 and 35-147, in the state general fund the following fees when the
8 documents described in this subsection are delivered for filing or issuance:

| 9 | Document | Fee |
|----|--|-------|
| 10 | 1. Articles of incorporation | \$ 30 |
| 11 | 2. Application for use of indistinguishable name | \$ 10 |
| 12 | 3. Application for reserved name | \$ 10 |
| 13 | 4. Notice of transfer of reserved name | \$ 10 |
| 14 | 5. Application for registered name | \$ 10 |
| 15 | 6. Application for renewal of registered name | \$ 10 |
| 16 | 7. Agent's statement of resignation | \$ 10 |
| 17 | 8. Amendment of articles of incorporation | \$ 25 |
| 18 | 9. Restatement of articles of incorporation | |
| 19 | with amendment of articles | \$ 25 |
| 20 | 10. Articles of merger or membership exchange | \$100 |
| 21 | 11. Articles of dissolution | \$ 25 |
| 22 | 12. Articles of domestication | \$100 |
| 23 | 13. Articles of revocation of dissolution | \$ 25 |
| 24 | 14. Application for reinstatement following | |
| 25 | administrative dissolution or revocation in | |
| 26 | addition to other fees and penalties due | \$ 25 |
| 27 | 15. Application for authority | \$150 |
| 28 | 16. Application for withdrawal | \$ 25 |
| 29 | 17. Annual report | \$ 10 |
| 30 | 18. Articles of correction | \$ 25 |
| 31 | 19. Application for certificate of good standing | \$ 10 |

32 B. The commission shall collect a fee of twenty-five dollars each time
33 process is served on it under chapters 24 through ~~40~~ 42 of this title. The
34 party to a proceeding causing service of process is entitled to recover this
35 fee as costs if the party prevails in the proceeding. The fee collected
36 pursuant to this subsection shall be deposited, pursuant to sections 35-146
37 and 35-147, in the state general fund.

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

43 D. A penalty of one hundred dollars payable in addition to other fees
44 accrues and is payable if a foreign corporation fails to file an amendment,
45 restated articles that include an amendment, or articles of merger within

1 sixty days of the time of filing in the jurisdiction in which the corporation
2 is domiciled. The penalty collected pursuant to this subsection shall be
3 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

4 ~~E. The commission shall deposit, pursuant to sections 35-146 and~~
5 ~~35-147, the monies received pursuant to paragraphs 2, 3, 4 and 5 of this~~
6 ~~subsection in the public access fund established by section 10-122. Monies~~
7 ~~in the fund are subject to legislative appropriation. The following~~
8 ~~provisions apply to the fund:~~

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

16 ~~2.~~ E. Pursuant to section 10-122, subsection F, the commission shall
17 provide for and establish an expedited service for the filing of all
18 documents and services provided pursuant to CHAPTERS 24 THROUGH 42 OF this
19 title.

20 ~~3.~~ F. Pursuant to section 10-122, subsection F, the commission may
21 provide for and establish same day and next day services for the filing of
22 any documents and services provided pursuant to CHAPTERS 24 THROUGH 42 OF
23 this title.

24 ~~4.~~ G. The commission may charge persons who access the commission's
25 data processing system THAT IS MAINTAINED PURSUANT TO SECTION 10-122.01 from
26 remote locations and persons requesting special computer generated printouts,
27 reports and tapes a reasonable fee that does not exceed the cost of the time,
28 equipment and personnel necessary to provide this service or product as
29 determined by the commission.

30 ~~5.~~ H. EXCEPT AS PROVIDED IN SECTION 10-122.01, SUBSECTION B,
31 PARAGRAPH 3, in addition to any fee charged pursuant to this section, the
32 commission may charge and collect the following fees to help defray the cost
33 of the improved data processing system THAT IS MAINTAINED PURSUANT TO SECTION
34 10-122.01:

35 ~~(a)~~ 1. Filing articles of incorporation of a domestic corporation,
36 ten dollars.

37 ~~(b)~~ 2. Filing an application of a foreign corporation for authority
38 to transact business in this state, twenty-five dollars.

39 ~~6.~~ I. All monies received pursuant to ~~paragraphs 2, 3, 4 and 5 of~~
40 ~~this subsection~~ SUBSECTIONS E THROUGH H OF THIS SECTION shall be deposited,
41 pursuant to sections 35-146 and 35-147, in the public access fund ESTABLISHED
42 BY SECTION 10-122.01. ~~The commission shall use the monies deposited in the~~
43 ~~fund for the purposes provided in this section. Fees charged pursuant to~~
44 ~~this section are exempt from section 39-121.03, subsection A, paragraph 3,~~
45 ~~relating to a charge for value of a reproduction on the commercial market.~~

1 ~~Monies in the fund are exempt from the provisions of section 35-190 relating~~
2 ~~to lapsing of appropriations, except that any unencumbered monies in excess~~
3 ~~of two hundred thousand dollars at the end of each fiscal year revert to the~~
4 ~~state general fund.~~

5 ~~7. When sufficient monies have been collected pursuant to paragraphs~~
6 ~~2, 4 and 5 of this subsection to pay for the purchase and installation of the~~
7 ~~data processing system, the commission shall not charge and collect the fees~~
8 ~~prescribed in paragraph 5 of this subsection.~~

9 J. FEES CHARGED PURSUANT TO THIS SECTION ARE EXEMPT FROM SECTION
10 39-121.03, SUBSECTION A, PARAGRAPH 3.

11 K. ANY PERSON MAY ADVANCE MONIES TO THE COMMISSION TO PAY FEES
12 REQUIRED PURSUANT TO THIS SECTION FOR FUTURE FILINGS AND SERVICES. ALL
13 MONIES RECEIVED PURSUANT TO THIS SUBSECTION SHALL BE DEPOSITED, PURSUANT TO
14 SECTIONS 35-146 AND 35-147, IN THE MONEY ON DEPOSIT ACCOUNT IN THE PUBLIC
15 ACCESS FUND ESTABLISHED BY SECTION 10-122.01.

16 Sec. 16. Section 10-3401, Arizona Revised Statutes, is amended to
17 read:

18 10-3401. Corporate name

19 A. A corporate name shall not contain language that states or implies
20 that the corporation is organized for a purpose other than the purpose
21 permitted by section 10-3301 and in its articles of incorporation.

22 B. Except as authorized by subsection C of this section, a corporate
23 name must be distinguishable from all of the following:

24 1. The corporate name of a corporation incorporated in this state or a
25 foreign corporation authorized to conduct affairs in this state.

26 2. A corporate name reserved under section 10-402 or 10-3402 or
27 registered under section 10-403 or 10-3403.

28 3. A fictitious name of a foreign corporation under section 10-1506 or
29 10-11506.

30 4. The corporate name of a business corporation incorporated under
31 this title or a foreign business corporation authorized to transact business
32 in this state.

33 5. The partnership name of a limited partnership organized and
34 registered under the laws of this state or of a foreign limited partnership
35 authorized to transact business in this state.

36 6. The name of a limited liability company organized under title 29,
37 chapter 4 or a foreign limited liability company authorized to transact
38 business in this state.

39 7. A trade name registered pursuant to title 44, chapter 10,
40 article 3.1.

41 8. The name of a registered limited liability partnership registered
42 under title 29, chapter ~~2-5~~, article ~~7-10~~ or a foreign registered limited
43 liability partnership authorized to transact business in this state.

44 C. A corporation may apply to the commission for authorization to use
45 a name that is not distinguishable from one or more of the names described in

1 subsection B of this section. The commission shall authorize use of the name
2 applied for if either:

3 1. The other corporation consents to the use in writing and submits an
4 undertaking in a form satisfactory to the commission to change its name to a
5 name that is distinguishable from the name of the applying corporation.

6 2. The applicant delivers to the commission a certified copy of a
7 final judgment of a court of competent jurisdiction establishing the
8 applicant's right to use the name applied for in this state.

9 D. A corporation may use the name, including a fictitious name, of
10 another domestic or foreign business or nonprofit corporation that is used in
11 this state if the other corporation is incorporated or authorized to transact
12 business or conduct affairs in this state and the proposed user corporation
13 either has:

14 1. Merged with the other corporation.

15 2. Been formed by reorganization of the other corporation.

16 3. Acquired all or substantially all of the assets, including the
17 corporate name, of the other corporation.

18 E. Chapters 24 through ~~40~~ 42 of this title do not control the use of
19 fictitious names.

20 Sec. 17. Section 10-3402, Arizona Revised Statutes, is amended to
21 read:

22 10-3402. Reserved name

23 A. A person may reserve the exclusive use of a corporate name,
24 including a fictitious name to be adopted by a foreign corporation under
25 section 10-11506, by delivering an application to the commission for filing.
26 The application shall **BE EXECUTED BY THE APPLICANT AND SHALL** set forth the
27 name and address of the applicant and the name proposed to be reserved. If
28 the commission finds that the corporate name applied for is available, it
29 shall reserve the name for the applicant's exclusive use for a nonrenewable
30 one hundred twenty day period.

31 B. The owner of a reserved corporate name may transfer the reservation
32 to another person by delivering to the commission a signed notice of the
33 transfer that states the name and address of the transferee. The transfer
34 shall not extend the period for which the name is reserved.

35 Sec. 18. Repeal

36 Section 10-3504, Arizona Revised Statutes, is repealed.

37 Sec. 19. Title 10, chapter 28, article 1, Arizona Revised Statutes, is
38 amended by adding a new section 10-3504, to read:

39 10-3504. Service on corporation

40 **A. THE STATUTORY AGENT APPOINTED BY A CORPORATION IS AN AGENT OF THE**
41 **CORPORATION ON WHOM PROCESS, NOTICE OR DEMAND THAT IS REQUIRED OR PERMITTED**
42 **BY LAW TO BE SERVED ON THE CORPORATION MAY BE SERVED AND THAT, WHEN SO**
43 **SERVED, IS LAWFUL PERSONAL SERVICE ON THE CORPORATION.**

44 **B. IF A CORPORATION FAILS TO APPOINT OR MAINTAIN A STATUTORY AGENT AT**
45 **THE ADDRESS SHOWN ON THE RECORDS OF THE COMMISSION, THE COMMISSION IS AN**

1 AGENT OF THE CORPORATION ON WHOM ANY PROCESS, NOTICE OR DEMAND MAY BE SERVED.
2 PURSUANT TO THE ARIZONA RULES OF CIVIL PROCEDURE, SERVICE ON THE COMMISSION
3 OF ANY PROCESS, NOTICE OR DEMAND FOR AN ENTITY THAT IS REGISTERED PURSUANT TO
4 THIS TITLE SHALL BE MADE BY DELIVERING TO AND LEAVING WITH THE COMMISSION
5 DUPLICATE COPIES OF THE PROCESS, NOTICE OR DEMAND, AND THE COMMISSION SHALL
6 IMMEDIATELY CAUSE ONE OF THE COPIES OF THE PROCESS, NOTICE OR DEMAND TO BE
7 FORWARDED BY MAIL, ADDRESSED TO THE CORPORATION AT ITS KNOWN PLACE OF
8 BUSINESS. SERVICE MADE ON THE COMMISSION IS RETURNABLE PURSUANT TO APPLICABLE
9 LAW RELATIVE TO PERSONAL SERVICE ON THE CORPORATION. IF SERVICE IS MADE ON
10 THE COMMISSION, WHETHER UNDER THIS CHAPTER OR A RULE OF COURT, THE
11 CORPORATION HAS THIRTY DAYS TO RESPOND IN ADDITION TO THE TIME OTHERWISE
12 PROVIDED BY LAW.

13 C. THE COMMISSION SHALL KEEP A PERMANENT RECORD OF ALL PROCESSES,
14 NOTICES AND DEMANDS SERVED ON IT UNDER THIS SECTION AND SHALL RECORD IN THE
15 RECORD THE TIME OF THE SERVICE AND ITS ACTION WITH REFERENCE TO THE SERVICE.

16 Sec. 20. Section 10-11506, Arizona Revised Statutes, is amended to
17 read:

18 10-11506. Corporate name of foreign corporation

19 A. If the corporate name of a foreign corporation does not satisfy the
20 requirements of section 10-3401, to obtain or maintain a grant of authority
21 to conduct affairs in this state the foreign corporation shall use a
22 fictitious name that satisfies the requirements of section 10-3401 to conduct
23 affairs in this state if its real name is unavailable and it delivers to the
24 commission for filing a copy of the resolution of its board of directors,
25 certified by ~~its secretary~~ A DULY AUTHORIZED OFFICER, adopting the fictitious
26 name. The foreign corporation shall not include language in its corporate
27 name stating or implying that the foreign corporation is organized for a
28 purpose other than that permitted by section 10-3301 and its articles of
29 incorporation.

30 B. Except as authorized by subsection C of this section, the corporate
31 name, including a fictitious name, of a foreign corporation shall be
32 distinguishable from:

33 1. The corporate name of a corporation incorporated under this title
34 or a foreign nonprofit, not for profit, business or close corporation
35 authorized to transact business or conduct affairs in this state.

36 2. A corporate name reserved under section 10-402 or 10-3402 or
37 registered under section 10-403 or 10-3403.

38 3. The fictitious name of another foreign business or nonprofit
39 corporation.

40 4. The partnership name of a limited partnership organized and
41 registered under the laws of this state or of a foreign limited partnership
42 authorized to transact business in this state.

43 5. The name of a limited liability company organized under title 29,
44 chapter 4 or a foreign limited liability company authorized to transact
45 business in this state.

1 6. The name of a registered limited liability partnership registered
2 under title 29, chapter ~~2- 5~~, article ~~7- 10~~ or a foreign registered limited
3 liability partnership authorized to transact business in this state.

4 7. A trade name registered pursuant to title 44, chapter 10,
5 article 3.1.

6 C. A corporation may apply to the commission for authorization to use
7 a name that is not distinguishable from one or more of the names described in
8 subsection B of this section. The commission shall authorize use of the name
9 applied for if either:

10 1. The other corporation consents to the use in writing and submits an
11 undertaking in a form satisfactory to the commission to change its name to a
12 name that is distinguishable from the name of the applying corporation.

13 2. The applicant delivers to the commission a certified copy of a
14 final judgment of a court of competent jurisdiction establishing the
15 applicant's right to use the name applied for in this state.

16 D. A corporation may use the name, including a fictitious name, of
17 another domestic or foreign business or nonprofit corporation that is used in
18 this state if the other corporation is incorporated or authorized to transact
19 business or conduct affairs in this state and the proposed user corporation
20 either has:

21 1. Merged with the other corporation.

22 2. Been formed by reorganization of the other corporation.

23 3. Acquired all or substantially all of the assets, including the
24 corporate name, of the other corporation.

25 E. Chapters 24 through ~~40~~ 42 of this title do not control the use of
26 fictitious names.

27 F. If a foreign corporation authorized to transact business in this
28 state changes its corporate name to one that does not satisfy the
29 requirements of section 10-3401, it may not transact business in this state
30 under the changed name until it adopts a name satisfying the requirements of
31 section 10-3401 and obtains new authority under section 10-11504.

32 Sec. 21. Repeal

33 Section 10-11510, Arizona Revised Statutes, is repealed.

34 Sec. 22. Title 10, chapter 38, article 1, Arizona Revised Statutes, is
35 amended by adding a new section 10-11510, to read:

36 10-11510. Service on foreign corporation

37 A. THE STATUTORY AGENT APPOINTED BY A FOREIGN CORPORATION IS AN AGENT
38 OF THE FOREIGN CORPORATION ON WHOM PROCESS, NOTICE OR DEMAND THAT IS REQUIRED
39 OR PERMITTED BY LAW TO BE SERVED ON THE FOREIGN CORPORATION MAY BE SERVED AND
40 THAT, WHEN SO SERVED, IS LAWFUL PERSONAL SERVICE ON THE FOREIGN CORPORATION.

41 B. IF A FOREIGN CORPORATION FAILS TO APPOINT OR MAINTAIN A STATUTORY
42 AGENT AT THE ADDRESS SHOWN ON THE RECORDS OF THE COMMISSION, THE COMMISSION
43 IS AN AGENT OF THE FOREIGN CORPORATION ON WHOM ANY PROCESS, NOTICE OR DEMAND
44 MAY BE SERVED. PURSUANT TO THE ARIZONA RULES OF CIVIL PROCEDURE, SERVICE ON
45 THE COMMISSION OF ANY PROCESS, NOTICE OR DEMAND FOR AN ENTITY THAT IS

1 REGISTERED PURSUANT TO THIS TITLE SHALL BE MADE BY DELIVERING TO AND LEAVING
2 WITH THE COMMISSION DUPLICATE COPIES OF THE PROCESS, NOTICE OR DEMAND, AND
3 THE COMMISSION SHALL IMMEDIATELY CAUSE ONE OF THE COPIES OF THE PROCESS,
4 NOTICE OR DEMAND TO BE FORWARDED BY MAIL, ADDRESSED TO THE FOREIGN
5 CORPORATION AT ITS KNOWN PLACE OF BUSINESS. SERVICE MADE ON THE COMMISSION IS
6 RETURNABLE PURSUANT TO APPLICABLE LAW RELATIVE TO PERSONAL SERVICE ON THE
7 FOREIGN CORPORATION. IF SERVICE IS MADE ON THE COMMISSION, WHETHER UNDER THIS
8 CHAPTER OR A RULE OF COURT, THE FOREIGN CORPORATION HAS THIRTY DAYS TO
9 RESPOND IN ADDITION TO THE TIME OTHERWISE PROVIDED BY LAW.

10 C. THE COMMISSION SHALL KEEP A PERMANENT RECORD OF ALL PROCESSES,
11 NOTICES AND DEMANDS SERVED ON IT UNDER THIS SECTION AND SHALL RECORD IN THE
12 RECORD THE TIME OF THE SERVICE AND ITS ACTION WITH REFERENCE TO THE SERVICE.

13 Sec. 23. Section 10-11632, Arizona Revised Statutes, is amended to
14 read:

15 10-11632. Interrogatory or signature violations; corporate
16 records; classification

17 A. A person who knowingly fails or refuses within the time prescribed
18 by this chapter to answer truthfully any interrogatories propounded to that
19 person by the commission in accordance with this chapter or who signs any
20 articles, statement, report, application or other document filed with the
21 commission that is known to the person as false in any material respect is
22 guilty of a class ~~5~~ 4 felony.

23 B. A person who with the intent to defraud or deceive knowingly
24 falsifies, alters, steals, destroys, mutilates, defaces, removes or secretes
25 the books, records or accounts of a corporation is guilty of a class 5
26 felony.

27 Sec. 24. Section 29-601, Arizona Revised Statutes, is amended to read:

28 29-601. Definitions

29 In this chapter, unless the context otherwise requires:

30 1. "Articles of organization" means the initial articles of
31 organization as amended or restated from time to time.

32 2. "Assignee" means any person who acquires in any manner the
33 ownership of an interest in a limited liability company and who has not been
34 admitted as a member.

35 3. "Capital contribution" means cash, other property, the use of
36 property, services rendered or any other valuable consideration transferred
37 to a limited liability company as consideration for issuing an interest in a
38 limited liability company.

39 4. "Commission" means the corporation commission.

40 5. "Court" includes any court and judge with jurisdiction in the case.

41 6. "Domestic limited liability company" or "limited liability company"
42 means a limited liability company organized and existing under this chapter.

43 7. "Event of withdrawal" means an event that causes a person to cease
44 to be a member as provided in section 29-733.

1 8. "EXECUTED" MEANS EXECUTED BY MANUAL OR FACSIMILE SIGNATURE ON
2 BEHALF OF THE LIMITED LIABILITY COMPANY BY A DULY AUTHORIZED MEMBER IF
3 MANAGEMENT OF THE LIMITED LIABILITY COMPANY IS RESERVED TO THE MEMBERS OR
4 MANAGER IF MANAGEMENT OF THE LIMITED LIABILITY COMPANY IS VESTED IN A
5 MANAGER, OR IF THE LIMITED LIABILITY COMPANY IS IN THE HANDS OF A RECEIVER OR
6 TRUSTEE, BY THE RECEIVER OR TRUSTEE.

7 9. "FILING" MEANS THE COMMISSION COMPLETING THE FOLLOWING PROCEDURE
8 WITH RESPECT TO ANY DOCUMENT DELIVERED FOR THAT PURPOSE:

9 (a) DETERMINING THAT THE FILING FEE REQUIREMENTS OF THIS CHAPTER HAVE
10 BEEN SATISFIED.

11 (b) DETERMINING THAT THE DOCUMENT APPEARS IN ALL RESPECTS TO CONFORM
12 TO THE REQUIREMENTS OF THIS CHAPTER.

13 (c) ON MAKING THE DETERMINATIONS REQUIRED BY THIS PARAGRAPH,
14 ENDORSEMENT OF THE WORD "FILED" WITH THE APPLICABLE DATE ON OR ATTACHED TO
15 THE DOCUMENT AND THE RETURN OF COPIES TO THE PERSON WHO DELIVERED THE
16 DOCUMENT OR THE PERSON'S REPRESENTATIVE.

17 ~~8-~~ 10. "Foreign limited liability company" means either:

18 (a) An unincorporated entity or association that is owned by one or
19 more persons that have limited liability for the debts of the business, other
20 than a partnership or trust, and that is formed under the laws of a
21 jurisdiction other than this state for any lawful purpose, including the
22 rendering of professional services as defined in that jurisdiction.

23 (b) An entity or unincorporated association that is formed under the
24 laws of a jurisdiction other than this state for any lawful purpose,
25 including the rendering of professional services as defined in that
26 jurisdiction, and that is characterized as a limited liability company by
27 those laws.

28 ~~9-~~ 11. "Initial articles of organization" means the articles of
29 organization filed with the commission at the time a limited liability
30 company is formed, including articles of organization that are corrected to
31 conform to the filing provisions of this chapter pursuant to section 29-634,
32 subsection B, paragraph 2.

33 ~~10-~~ 12. "Member" means a person who is admitted as a member in a
34 limited liability company pursuant to this chapter until an event of
35 withdrawal occurs with respect to the person and, if reference is made to
36 members, that reference means a member in the case of a limited liability
37 company that has a single member.

38 ~~11-~~ 13. "Member's interest", "interest in a limited liability company"
39 or "interest in the limited liability company" means a member's share of the
40 profits and losses of a limited liability company and the right to receive
41 distributions of limited liability company assets.

42 ~~12-~~ 14. "Operating agreement" means either:

43 (a) Any written or oral agreements among all members concerning the
44 affairs of a limited liability company or the conduct of its business.

1 (b) In the case of a limited liability company that has a single
2 member, any written or oral statement of the member MADE in good faith
3 purporting to govern the affairs of a limited liability company or the
4 conduct of its business as of the effective time of the statement.

5 ~~13-~~ 15. "Person" includes any individual, general partnership, limited
6 partnership, domestic or foreign limited liability company, corporation,
7 trust, business trust, real estate investment trust, estate and other
8 association.

9 ~~14-~~ 16. "Real property" includes land, any interest, leasehold or
10 estate in land and any improvements on it.

11 ~~15-~~ 17. "State" means a state, possession or territory of the United
12 States, the District of Columbia or the Commonwealth of Puerto Rico.

13 Sec. 25. Section 29-602, Arizona Revised Statutes, is amended to read:

14 29-602. Limited liability company name

15 A. The name of a limited liability company as set forth in its
16 articles of organization shall:

17 1. Contain the words "limited liability company" or "limited company"
18 or the abbreviations "L.L.C.", "L.C.", "LLC" or "LC", in uppercase or
19 lowercase letters.

20 2. Not contain the words "association", "corporation" or
21 "incorporated" or an abbreviation of these words.

22 3. NOT INCLUDE THE WORDS "BANK", "DEPOSIT", "CREDIT UNION", "TRUST" OR
23 "TRUST COMPANY" SEPARATELY OR IN COMBINATION TO INDICATE OR CONVEY THE IDEA
24 THAT THE LIMITED LIABILITY COMPANY IS ENGAGED IN BANKING, CREDIT UNION OR
25 TRUST BUSINESS UNLESS THE LIMITED LIABILITY COMPANY IS TO BE AND BECOMES
26 ACTIVELY AND SUBSTANTIALLY ENGAGED IN THE BANKING, CREDIT UNION OR TRUST
27 BUSINESS OR THE LIMITED LIABILITY COMPANY IS A HOLDING COMPANY HOLDING
28 SUBSTANTIAL INTEREST IN COMPANIES ACTIVELY AND SUBSTANTIALLY ENGAGED IN THE
29 BANKING, CREDIT UNION OR TRUST BUSINESS.

30 B. Except as authorized by subsections C and D of this section, the
31 name of the limited liability company shall be distinguishable from all of
32 the following:

33 1. The corporate name of a corporation incorporated in this state or a
34 foreign corporation authorized to transact business in this state.

35 2. A corporate name reserved under section 10-402 or registered under
36 section 10-403.

37 3. A fictitious name adopted by a foreign corporation under section
38 10-1506.

39 4. The corporate name of a nonprofit corporation incorporated in this
40 state or a foreign nonprofit or not for profit corporation authorized to
41 conduct affairs in this state.

42 5. The partnership name of a limited partnership organized and
43 registered under the laws of this state or of a foreign limited partnership
44 authorized to transact business in this state.

1 6. The name of a limited liability company organized in this state or
2 a foreign limited liability company authorized to transact business in this
3 state.

4 7. A trade name registered pursuant to title 44, chapter 10,
5 article 3.1.

6 8. The name of a REGISTERED limited liability partnership organized in
7 this state or a foreign limited liability partnership authorized to transact
8 business in this state.

9 C. A limited liability company may apply to the commission for
10 authorization to use a name that is not distinguishable from one or more of
11 the names described in subsection B of this section. The commission shall
12 authorize use of the name applied for if either:

13 1. The other entity consents to the use in writing and submits an
14 undertaking in a form satisfactory to the commission to change its name to a
15 name that is distinguishable from the name of the applying limited liability
16 company.

17 2. The applicant delivers to the commission a certified copy of the
18 final judgment of a court of competent jurisdiction that establishes the
19 applicant's right to use the name applied for in this state.

20 D. A limited liability company may use the name, including a
21 fictitious name, of another domestic or foreign entity that is used in this
22 state if the other entity is incorporated or authorized to transact business
23 in this state and the ~~proposed user~~ limited liability company that proposes
24 to use the name has either:

25 1. Merged with the other entity.

26 2. Been formed by reorganization of the other entity.

27 3. Acquired all or substantially all of the assets, including the
28 name, of the other entity.

29 E. This chapter does not control the use of fictitious names.

30 Sec. 26. Section 29-606, Arizona Revised Statutes, is amended to read:

31 29-606. Service of process on limited liability company

32 A. The statutory agent appointed by a limited liability company is an
33 agent of the limited liability company on whom process, notice or demand that
34 is required or permitted by law to be served on the limited liability company
35 may be served and that, when so served, is lawful personal service on the
36 limited liability company.

37 B. In lieu of service on the statutory agent, process, notice or
38 demand may be served either on a manager of a limited liability company if
39 management of the limited liability company is vested in one or more managers
40 or on a member of the limited liability company if management of the limited
41 liability company is reserved to the members. If a limited liability company
42 fails to appoint or maintain a statutory agent at the address shown on the
43 records of the commission, the commission is an agent of the limited
44 liability company on whom any process, notice or demand may be served.
45 Service on the commission of any process, notice or demand FOR AN ENTITY THAT

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

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

14 Sec. 27. Section 29-633, Arizona Revised Statutes, is amended to read:
15 29-633. Amendment of articles of organization; restatement;
16 publication

17 A. The articles of organization of a limited liability company are
18 amended by filing with the commission an original and one copy of the
19 articles of amendment, signed on behalf of the limited liability company by a
20 manager if management of the limited liability company is vested in one or
21 more managers or by a member if management of the limited liability company
22 is reserved to the members. The articles of amendment shall set forth:

- 23 1. The name of the limited liability company.
24 ~~2. The date the initial articles of organization were filed.~~
25 ~~3.~~ 2. The amendment to the articles of organization.

26 B. A limited liability company shall amend its articles of
27 organization if there is a statement in the articles of organization that was
28 false or erroneous when it was made or within thirty days after the ~~happening~~
29 OCCURRENCE of any of the following events:

30 1. Any arrangements or facts have changed making the articles of
31 organization inaccurate in any respect other than those changes required to
32 be set forth in a statement delivered to the commission pursuant to section
33 29-605.

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

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

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

- 1 1. Change the name of the limited liability company.
2 2. Change, enlarge or diminish the purposes of the limited liability
3 company.
4 3. If management is reserved to the members of a limited liability
5 company, vest management of the limited liability company in one or more
6 managers.
7 4. If management is vested in one or more managers, vest management of
8 the limited liability company in the members.
9 D. A limited liability company may restate its articles of
10 organization. Restated articles of organization shall be executed and filed
11 in the same manner as articles of amendment. Restated articles of
12 organization shall be specifically designated as such in the heading and
13 shall state either in the heading or in an introductory paragraph the limited
14 liability company's present name and, if it has been changed, all of its
15 former names ~~and the date of the filing of its initial articles of~~
16 ~~organization.~~
17 E. A limited liability company that has not amended its articles of
18 organization as required by this section may not maintain an action upon or
19 on account of a contract or transaction made in the name of the limited
20 liability company in any court of this state until it has first amended its
21 articles of organization as required by this section. No person has any
22 liability because an amendment to articles of organization has not been filed
23 to reflect the occurrence of any event prescribed by subsection B of this
24 section if the amendment is filed within the thirty-day period specified in
25 subsection B of this section.
26 F. Within sixty days after the filing with the commission of the
27 articles of amendment or restated articles of organization there shall be
28 published in a newspaper of general circulation in the county of the known
29 place of business for three consecutive publications, ~~—~~ a copy of the articles
30 of amendment or restated articles of organization. An affidavit evidencing
31 publication shall be filed within ninety days after filing of the amendment
32 of the articles of organization. Publication is not required if amendments
33 to the articles of organization are made solely in relation to changes in
34 managers or members of the limited liability company.
35 Sec. 28. Section 29-634, Arizona Revised Statutes, is amended to read:
36 29-634. Filing with the commission
37 A. ~~Two copies~~ ONE COPY of the signed original articles of organization
38 or any other document required to be filed pursuant to this chapter shall be
39 delivered to the commission. If the commission determines that the documents
40 conform to the filing provisions of this chapter, it shall, when all fees
41 required pursuant to section 29-851 have been paid:
42 1. Endorse, stamp or attach on the signed original and duplicate copy
43 the word "filed" and the date and time of its acceptance for filing.
44 2. Retain the signed original in the commission's files.

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

3 B. If the commission is unable to make the determination required for
4 filing by subsection A of this section at the time any documents are
5 delivered for filing, the documents are deemed to have been filed at the time
6 of delivery if the commission subsequently determines either of the
7 following:

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

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

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

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

22 Sec. 29. Section 29-781, Arizona Revised Statutes, is amended to read:
23 29-781. Dissolution

24 A. A limited liability company organized under this chapter is
25 dissolved on the occurrence of the first of the following:

26 1. At the time or on the happening of the events specified for
27 dissolution in the articles of organization or an operating agreement.

28 2. Except as otherwise provided in an operating agreement, the written
29 consent to dissolve by more than one-half of the members and by one or more
30 members who on dissolution and liquidation of the assets of the limited
31 liability company would be entitled to receive assets valued at more than
32 one-half of the value of all assets distributed to all members on
33 liquidation.

34 3. Entry of a judgment of dissolution under section 29-785 or an
35 administrative dissolution under section 29-786.

36 4. Except as otherwise provided in an operating agreement, an event of
37 withdrawal of the last remaining member unless within ninety days all
38 assignees by written consent admit at least one member pursuant to section
39 29-731, subsection B, paragraph 4 to continue the business of the limited
40 liability company.

41 B. As soon as possible after any of the events specified in this
42 section effecting the dissolution of the limited liability company occurs,
43 the limited liability company shall file a written notice of winding up with
44 the commission signed on behalf of the limited liability company by a manager
45 if management of the limited liability company is vested in one or more

1 managers or by a member if management of the limited liability company is
2 reserved to the members. The notice of winding up shall state ~~at~~ BOTH of
3 the following:

4 1. The name of the limited liability company.

5 ~~2. The date of filing the initial articles of organization.~~

6 ~~3-~~ 2. Notice of the dissolution of the limited liability company and
7 the commencement of winding up of its business and affairs.

8 Sec. 30. Section 29-841, Arizona Revised Statutes, is amended to read:

9 29-841. Definitions

10 In this article, unless the context otherwise requires:

11 1. "Board" means the officer, agency, court or other authority in this
12 state empowered by law to license or otherwise authorize the rendition of a
13 professional service.

14 2. "License" means a license, a certificate of registration or any
15 other evidence of the satisfaction of the requirements of a board for the
16 practice of a professional service.

17 3. "Licensed person" means an individual who is duly licensed by at
18 least one board to provide at least one of the categories of professional
19 service rendered by the professional limited liability company. The term
20 shall also include a professional corporation as defined in section ~~10-902~~
21 10-2201 or a professional limited liability company qualified to perform at
22 least one of the categories of professional services rendered by the
23 professional limited liability company.

24 4. "Professional limited liability company" means a limited liability
25 company organized under this chapter for purposes that include rendering one
26 or more categories of professional services.

27 5. "Professional service" has the same meaning prescribed in section
28 10-2201.

29 Sec. 31. Section 29-841.01, Arizona Revised Statutes, is amended to
30 read:

31 29-841.01. Professional limited liability company formation

32 A. One or more persons may form a professional limited liability
33 company by filing with the commission ~~two copies~~ ONE COPY of the signed
34 original articles of organization that, in addition to the information
35 required under section 29-632, specify both of the following:

36 1. That the company is a professional limited liability company.

37 2. The professional service or services that the company is organized
38 to provide.

39 B. A limited liability company organized under a law of this state
40 other than this article may elect professional limited liability company
41 status by amending its articles of organization pursuant to section 29-633 to
42 comply with subsection A of this section and section 29-845.

1 Sec. 32. Section 29-845, Arizona Revised Statutes, is amended to read:

2 29-845. Name

3 A. A professional limited liability company may adopt a name
4 consisting of the full or last name of one or more of its members or, if not
5 otherwise prohibited by law or the canons of ethics of the profession
6 concerned, may adopt a fictitious name.

7 B. The name of a professional limited liability company **AUTHORIZED TO**
8 **TRANSACT BUSINESS IN THIS STATE SHALL SATISFY THE REQUIREMENTS OF SECTION**
9 **29-602, EXCEPT THAT THE NAME** shall contain the words "professional limited
10 liability company" or the abbreviations "P.L.L.C.", "P.L.C.", "PLLC" or
11 "PLC", in uppercase or lowercase letters.