

REFERENCE TITLE: restructuring; Arizona entities

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Senate
Fifty-first Legislature
Second Regular Session
2014

SB 1353

Introduced by
Senators Worsley, Driggs, Pierce: Farley, McComish, Melvin, Yarbrough

AN ACT

AMENDING SECTION 10-122, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2013, FIRST SPECIAL SESSION, CHAPTER 2, SECTION 3; CHANGING THE DESIGNATION OF TITLE 10, CHAPTER 2, ARIZONA REVISED STATUTES, TO "INCORPORATION"; REPEALING TITLE 10, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 10, CHAPTER 11, ARIZONA REVISED STATUTES, TO "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS"; REPEALING SECTIONS 10-1101 AND 10-1102, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 11, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 10-1101 AND 10-1102; AMENDING SECTIONS 10-1103, 10-1104 AND 10-1105, ARIZONA REVISED STATUTES; REPEALING SECTIONS 10-1106, 10-1107 AND 10-1108, ARIZONA REVISED STATUTES; AMENDING SECTION 10-1302, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2013, CHAPTER 165, SECTION 2; REPEALING SECTION 10-1817, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 18, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-1817; REPEALING SECTION 10-1818, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 18, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-1875; AMENDING SECTION 10-2020, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 19, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-2026; AMENDING SECTION 10-2054, ARIZONA REVISED STATUTES; REPEALING SECTIONS 10-2073, 10-2074, 10-2075 AND 10-2076, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 19, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-2073; AMENDING SECTION 10-2079, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 19, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-2107; REPEALING SECTIONS 10-2139, 10-2140 AND 10-2142, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 19, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-2139; AMENDING SECTION 10-2145, ARIZONA

REVISED STATUTES; REPEALING SECTION 10-2240, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 20, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 10-2240; AMENDING TITLE 10, CHAPTER 21, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-2267; AMENDING SECTION 10-2405, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 22, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-2406; AMENDING SECTION 10-3122, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 10, CHAPTER 25, ARIZONA REVISED STATUTES, TO "INCORPORATION-NONPROFIT CORPORATIONS"; REPEALING TITLE 10, CHAPTER 25, ARTICLE 2, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 10, CHAPTER 34, ARIZONA REVISED STATUTES, TO "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS-NONPROFIT CORPORATIONS"; REPEALING SECTIONS 10-11101 AND 10-11102, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 34, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 10-11101 AND 10-11102; AMENDING SECTIONS 10-11103 AND 10-11105, ARIZONA REVISED STATUTES; REPEALING SECTIONS 10-11106 AND 10-11107, ARIZONA REVISED STATUTES; AMENDING SECTION 10-11108, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 42, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-11909; CHANGING THE DESIGNATION OF TITLE 29, CHAPTER 3, ARTICLE 13, ARIZONA REVISED STATUTES, TO "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS"; REPEALING SECTIONS 29-368, 29-369, 29-370, 29-371 AND 29-372, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 3, ARTICLE 13, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 29-368, 29-369 AND 29-370; AMENDING SECTION 29-373, ARIZONA REVISED STATUTES; REPEALING SECTIONS 29-374, 29-375 AND 29-376, ARIZONA REVISED STATUTES; AMENDING SECTION 29-681, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 29, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES, TO "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS"; REPEALING SECTION 29-751, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 29-751; AMENDING SECTION 29-752, ARIZONA REVISED STATUTES; REPEALING SECTION 29-753, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 29-753; AMENDING SECTION 29-754, ARIZONA REVISED STATUTES; REPEALING SECTIONS 29-755, 29-756 AND 29-757, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 4, ARTICLE 11, ARIZONA REVISED STATUTES, BY ADDING SECTION 29-848; AMENDING SECTIONS 29-851 AND 29-1001, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 29, CHAPTER 5, ARTICLE 9, ARIZONA REVISED STATUTES, TO "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS"; REPEALING SECTIONS 29-1082, 29-1083, 29-1084 AND 29-1085, ARIZONA REVISED STATUTES; AMENDING TITLE 29, CHAPTER 5, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 29-1081 AND NEW SECTIONS 29-1082 AND 29-1083; AMENDING SECTION 29-1086, ARIZONA REVISED STATUTES; REPEALING SECTIONS 29-1087 AND 29-1088, ARIZONA REVISED STATUTES; AMENDING TITLE 29, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 6; RELATING TO ENTITY RESTRUCTURING.

(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, Arizona Revised Statutes, as amended by
3 Laws 2013, first special session, chapter 2, section 3, is amended to read:

4 10-122. Filing, service and copying fees; expedited report
5 filing and access; same day and next day services;
6 posted wait times; advance monies; definition

7 A. The commission shall collect and deposit, pursuant to sections
8 35-146 and 35-147, the following nonrefundable fees when the documents
9 described in this subsection are delivered to the commission:

<u>Document</u>	<u>Fee</u>
1. Articles of incorporation	\$50
2. Application for use of indistinguishable name	10
3. Application for reserved name	10
4. Notice of transfer of reserved name	10
5. Application for registered name	10
6. Application for renewal of registered name	10
7. Agent's statement of resignation	10
8. Amendment of articles of incorporation	25
9. Restatement of articles of incorporation with amendment of articles	25
10. Articles of merger or share exchange STATEMENT OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION IF THE ENTITY RESPONSIBLE FOR FILING THE STATEMENT IS A CORPORATION	100
11. Articles of dissolution	25
12. Articles of domestication	100
13. 12. Articles of revocation of dissolution	25
14. 13. Application for reinstatement following administrative dissolution, in addition to other fees and penalties due	100
15. 14. Application for authority	150
16. 15. Application for withdrawal	25
17. 16. Annual report	45
18. 17. Articles of correction	25
19. 18. Application for certificate of good standing	10
20. 19. Any other document required or permitted to be filed by chapters 1 through 17 of this title	25

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

44 C. The commission shall charge and collect a reasonable fee for
45 copying documents on request, provided the fee does not exceed the cost of

1 providing the service as determined by the commission. The commission shall
2 also charge a reasonable fee for certifying the copy of a filed document,
3 provided the fee does not exceed the cost of providing the service as
4 determined by the commission.

5 D. A penalty of one hundred dollars payable in addition to other fees
6 accrues and is payable if a foreign corporation fails to file an amendment,
7 restated articles that include an amendment, or articles of merger within
8 sixty days of the time of filing in the jurisdiction in which the corporation
9 is domiciled. The penalty collected pursuant to this subsection shall be
10 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

11 E. One-third of the fees for the annual report of domestic and foreign
12 corporations paid pursuant to subsection A, paragraph ~~17~~ 16 of this section
13 shall be deposited in the Arizona arts trust fund established by section
14 41-983.01 and two-thirds of these fees shall be deposited, pursuant to
15 sections 35-146 and 35-147, in the public access fund established by section
16 10-122.01.

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

20 1. The expedited filing shall be a priority service to be completed as
21 soon as possible after the documents are delivered to the commission.

22 2. In addition to any other fees required by this section or any other
23 law, the commission shall charge a nonrefundable fee for expedited services,
24 including those requested by fax. The fee shall be determined by a
25 supermajority vote of the commissioners.

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

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

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

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

38 G. The commission may charge persons who access the commission's data
39 processing system that is maintained pursuant to section 10-122.01 from
40 remote locations and persons requesting special computer generated printouts,
41 reports and tapes a reasonable fee that does not exceed the cost of the time,
42 equipment and personnel necessary to provide this service or product as
43 determined by the commission.

44 H. Except as provided in section 10-122.01, subsection B, paragraph 3,
45 in addition to any fee charged pursuant to this section, the commission may

charge and collect the following nonrefundable fees to help defray the cost of the improved data processing system that is maintained pursuant to section 10-122.01:

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

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

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

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

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

L. In addition to any other fees prescribed by law, the commission may establish a fee for the filing of an annual benefit report delivered to the commission pursuant to section 10-2442. The fee shall be determined by a majority vote of the commissioners.

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

Sec. 2. Heading change

The chapter heading of title 10, chapter 2, Arizona Revised Statutes, is changed from "INCORPORATION AND TRANSFER OF DOMICILE" to "INCORPORATION".

Sec. 3. Repeal

Title 10, chapter 2, article 2, Arizona Revised Statutes, is repealed.

Sec. 4. Heading change

The chapter heading of title 10, chapter 11, Arizona Revised Statutes, is changed from "MERGER AND SHARE EXCHANGE" to "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS".

Sec. 5. Repeal

Sections 10-1101 and 10-1102, Arizona Revised Statutes, are repealed.

Sec. 6. Title 10, chapter 11, article 1, Arizona Revised Statutes, is amended by adding new sections 10-1101 and 10-1102, to read:

10-1101. Definitions

A. IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION.

2. "TRANSACTION" MEANS A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION.

B. EXCEPT FOR TERMS DEFINED IN CHAPTERS 1 THROUGH 17 OF THIS TITLE OR UNLESS THE CONTEXT OTHERWISE REQUIRES, TERMS USED IN THIS ARTICLE HAVE THE SAME MEANINGS PRESCRIBED IN SECTION 29-2102.

10-1102. Entity restructuring transactions

A. IF THE BOARD OF DIRECTORS OF A DOMESTIC CORPORATION ADOPTS A PLAN AND, IF REQUIRED BY SECTION 10-1103, THE SHAREHOLDERS APPROVE A PLAN, THE DOMESTIC CORPORATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION BY ADOPTING A PLAN AND COMPLYING WITH THIS ARTICLE AND THE FOLLOWING:

1. WITH RESPECT TO A MERGER, TITLE 29, CHAPTER 6, ARTICLE 2.

2. WITH RESPECT TO AN INTEREST EXCHANGE, TITLE 29, CHAPTER 6, ARTICLE 3.

3. WITH RESPECT TO A CONVERSION, TITLE 29, CHAPTER 6, ARTICLE 4.

4. WITH RESPECT TO A DOMESTICATION, TITLE 29, CHAPTER 6, ARTICLE 5.

5. WITH RESPECT TO A DIVISION, TITLE 29, CHAPTER 6, ARTICLE 6.

B. THE EFFECTIVE TIME AND DATE OF THE TRANSACTION ARE AS PROVIDED IN TITLE 29, CHAPTER 6. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE, THE PROCEDURES REGARDING THE EFFECT OF AND ALL OTHER ASPECTS OF THE TRANSACTION ARE GOVERNED BY TITLE 29, CHAPTER 6.

C. THIS SECTION DOES NOT LIMIT THE POWER OF A CORPORATION TO ACQUIRE ALL OR PART OF THE INTERESTS OF ANOTHER ENTITY THROUGH A VOLUNTARY EXCHANGE OR OTHERWISE.

Sec. 7. Section 10-1103, Arizona Revised Statutes, is amended to read:

10-1103. Action on plan

A. Except as provided in subsection G of this section, after adopting a plan ~~of merger or share exchange~~, the board of directors of ~~each~~ A DOMESTIC corporation that is a party to OR THAT IS OTHERWISE UNDERTAKING the ~~merger~~ TRANSACTION and, IN THE CASE OF A DOMESTIC CORPORATION WHOSE SHARES WILL BE ACQUIRED IN AN INTEREST EXCHANGE, the board of directors of the corporation whose shares will be acquired in the ~~share~~ INTEREST exchange shall submit the plan ~~of merger or share exchange~~ for approval by its shareholders.

B. For a plan ~~of merger or share exchange~~ to be approved, both:

1. The board of directors shall recommend the plan ~~of merger or share exchange~~ to the shareholders, unless the board of directors determines that because of a conflict of interest or other special circumstances it should not make a recommendation and communicates the basis for its determination to the shareholders with the plan.

2. The shareholders entitled to vote on the plan ~~of merger or share exchange~~ shall approve the plan.

C. The board of directors may condition its submission of the ~~proposed merger or share exchange~~ PLAN on any basis.

D. The corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting at which the plan ~~of merger or share exchange~~ is to be submitted for approval in accordance with section 10-705. The notice shall state that the purpose or one of the purposes of the meeting is to consider the plan ~~of merger or share exchange~~ and shall contain or be accompanied by a copy or summary of the plan.

E. Unless chapters 1 through 17 of this title, the articles of incorporation or the board of directors acting pursuant to subsection C of

1 this section requires a greater vote or a vote by voting groups, the plan ~~of~~
2 ~~merger or share exchange~~ to be authorized shall be approved by each voting
3 group entitled to vote separately on the plan by a majority of all the votes
4 entitled to be cast on the plan by that voting group.

5 F. Separate voting by voting groups is required:

6 1. On a plan ~~of merger~~, OTHER THAN A PLAN OF INTEREST EXCHANGE, if
7 either:

8 (a) The plan contains a provision that, if contained in a proposed
9 amendment to the articles of incorporation, would require action by one or
10 more separate voting groups on the proposed amendment under section 10-1004.

11 (b) One or more voting groups are entitled under the articles of
12 incorporation to vote as a voting group on the plan ~~of merger~~.

13 2. On a plan of ~~share~~ INTEREST exchange by each class or series of
14 shares included in the exchange, with each class or series constituting a
15 separate voting group.

16 G. Unless the articles of incorporation otherwise require, action by
17 the shareholders of A DOMESTIC CORPORATION THAT IS the surviving corporation
18 on a plan of merger is not required if all of the following conditions exist:

19 1. The articles of incorporation of the surviving corporation will not
20 differ, except for amendments enumerated in section 10-1002, from its
21 articles of incorporation before the merger.

22 2. Each shareholder of the surviving corporation whose shares were
23 outstanding immediately before the effective date of the merger will hold the
24 same number of shares with identical designations, preferences, limitations
25 and relative rights immediately after the effective date of the merger.

26 3. The number of voting shares outstanding immediately after the
27 merger, plus the number of voting shares issuable as a result of the merger
28 either by the conversion of securities issued pursuant to the merger or the
29 exercise of rights and warrants issued pursuant to the merger, will not
30 exceed by more than twenty per cent the total number of voting shares of the
31 surviving corporation outstanding immediately before the merger.

32 4. The number of participating shares outstanding immediately after
33 the merger, plus the number of participating shares issuable as a result of
34 the merger either by the conversion of securities issued pursuant to the
35 merger or the exercise of rights and warrants issued pursuant to the merger,
36 will not exceed by more than twenty per cent the total number of
37 participating shares outstanding immediately before the merger.

38 H. ~~As used in~~ FOR THE PURPOSES OF subsection G of this section:

39 1. "Participating shares" means shares that entitle their holders to
40 participate without limitation in distributions.

41 2. "Voting shares" means shares that entitle their holders to vote
42 unconditionally in elections of directors.

43 ~~I. At any time before the filing of the articles of merger or share~~
44 ~~exchange, the plan of merger or share exchange may be abandoned, subject to~~
45 ~~any contractual rights, without further shareholder action, in accordance~~

~~with the procedure set forth in the plan of merger or share exchange or, if none is set forth, in the manner determined by the board of directors.~~

Sec. 8. Section 10-1104, Arizona Revised Statutes, is amended to read:

10-1104. Merger or other transaction involving subsidiary

A. A parent ~~corporation~~ ENTITY owning at least ninety per cent of the outstanding shares of each class of a subsidiary DOMESTIC corporation may merge the subsidiary into itself, CAUSE THE CONVERSION, DOMESTICATION OR DIVISION OF THE SUBSIDIARY OR CAUSE THE SHARES OF THE SUBSIDIARY TO BE ACQUIRED IN AN INTEREST EXCHANGE without approval of the ~~shareholders~~ INTEREST HOLDERS of the parent or THE SHAREHOLDERS OF the subsidiary.

B. The ~~board of directors~~ GOVERNORS of the parent shall adopt a plan ~~of merger~~ that ~~sets forth:~~

~~1. The names of the parent and subsidiary.~~

~~2. The manner and basis of converting the shares of the subsidiary into shares, obligations or other securities of the parent or any other corporation or into cash or other property in whole or in part~~ COMPLIES WITH TITLE 29, CHAPTER 6.

C. The parent shall mail a copy or summary of the plan ~~of merger~~ to each shareholder, other than the parent, of the subsidiary who does not waive the mailing requirement in writing.

D. The parent may not deliver ~~articles~~ A STATEMENT of merger OR OTHER TRANSACTION to the commission for filing until at least thirty days after the date it mailed a copy of the plan ~~of merger~~ to each shareholder of the subsidiary who did not waive the mailing requirement.

E. ~~Articles~~ A STATEMENT of merger ~~under~~ OR OTHER TRANSACTION IN CONNECTION WITH A TRANSACTION THAT IS GOVERNED BY this section shall not contain amendments to the ~~articles of incorporation~~ PUBLIC ORGANIZATIONAL DOCUMENT of the parent ~~corporation~~ ENTITY.

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

10-1105. Statement of merger or interest exchange; publication

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

~~1. The plan of merger or share exchange.~~

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

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

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

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

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

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

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

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

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

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

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

~~D.~~ Within sixty days after the commission approves the filing OF A STATEMENT OF MERGER OR STATEMENT OF INTEREST EXCHANGE, a copy of the ~~articles of merger or share~~ STATEMENT OF MERGER OR STATEMENT OF INTEREST exchange shall be published. An affidavit evidencing the publication may be filed with the commission.

Sec. 10. Repeal

Sections 10-1106, 10-1107 and 10-1108, Arizona Revised Statutes, are repealed.

Sec. 11. Section 10-1302, Arizona Revised Statutes, as amended by Laws 2013, chapter 165, section 2, is amended to read:

10-1302. Right to dissent; applicability

A. A shareholder OF A DOMESTIC CORPORATION is entitled to dissent from and obtain payment of the fair value of the shareholder's shares in the event of any of the following corporate actions:

1. Consummation of a plan of merger to which the corporation is a party if either:

(a) Shareholder approval is required for the merger by section 10-1103 or the articles of incorporation and if the shareholder is entitled to vote on the merger.

(b) The corporation is a subsidiary that is merged with its parent under section 10-1104.

2. Consummation of a plan of ~~share~~ INTEREST exchange to which the corporation is a party as the corporation whose shares will be acquired, if the shareholder is entitled to vote on the plan.

3. Consummation of a sale or exchange of all or substantially all of the property of the corporation other than in the usual and regular course of

business, if the shareholder is entitled to vote on the sale or exchange, including a sale in dissolution, but not including a sale pursuant to a court order or a sale for cash pursuant to a plan by which all or substantially all of the net proceeds of the sale will be distributed to the shareholders within one year after the date of sale.

4. An amendment of the articles of incorporation that materially and adversely affects rights in respect of a dissenter's shares because it either:

(a) Alters or abolishes a preferential right of the shares.

(b) Creates, alters or abolishes a right in respect of redemption, including a provision respecting a sinking fund for the redemption or repurchase, of the shares.

(c) Alters or abolishes a preemptive right of the holder of the shares to acquire shares or other securities.

(d) Excludes or limits the right of the shares to vote on any matter or to cumulate votes other than a limitation by dilution through issuance of shares or other securities with similar voting rights.

(e) Reduces the number of shares owned by the shareholder to a fraction of a share if the fractional share so created is to be acquired for cash under section 10-604.

5. Any corporate action taken pursuant to a shareholder vote to the extent the articles of incorporation, the bylaws or a resolution of the board of directors provides that voting or nonvoting shareholders are entitled to dissent and obtain payment for their shares.

6. An election of the shareholders pursuant to section 10-2404 to have benefit corporation status or an election of the shareholders pursuant to section 10-2405 to terminate status as a benefit corporation.

7. CONSUMMATION OF A PLAN OF DOMESTICATION IF THE SHAREHOLDER DOES NOT RECEIVE INTERESTS IN THE FOREIGN DOMESTICATED ENTITY THAT HAVE TERMS AS FAVORABLE TO THE SHAREHOLDER IN ALL MATERIAL RESPECTS AND THAT REPRESENT AT LEAST THE SAME PERCENTAGE INTEREST OF THE TOTAL VOTING RIGHTS OF THE OUTSTANDING INTERESTS OF THE DOMESTICATED ENTITY AS THE SHARES HELD BY THE SHAREHOLDER BEFORE THE DOMESTICATION.

8. CONSUMMATION OF A PLAN OF CONVERSION IF THE SHAREHOLDER DOES NOT RECEIVE INTERESTS IN THE CONVERTED ENTITY THAT HAVE TERMS AS FAVORABLE TO THE SHAREHOLDER IN ALL MATERIAL RESPECTS AND THAT REPRESENT AT LEAST THE SAME PERCENTAGE INTEREST OF THE TOTAL VOTING RIGHTS OF THE OUTSTANDING INTERESTS OF THE CONVERTED ENTITY AS THE SHARES HELD BY THE SHAREHOLDER BEFORE THE CONVERSION.

9. CONSUMMATION OF A PLAN OF DIVISION IF THE SHAREHOLDER DOES NOT RECEIVE INTERESTS IN EACH RESULTING ENTITY THAT HAVE TERMS AS FAVORABLE TO THE SHAREHOLDER IN ALL MATERIAL RESPECTS AND THAT REPRESENT AT LEAST THE SAME PERCENTAGE INTEREST OF THE TOTAL VOTING RIGHTS OF THE OUTSTANDING INTERESTS OF EACH RESULTING ENTITY AS THE SHARES HELD BY THE SHAREHOLDER BEFORE THE DIVISION.

B. A shareholder entitled to dissent and obtain payment for his shares under this chapter may not challenge the corporate action creating the shareholder's entitlement unless the action is unlawful or fraudulent with respect to the shareholder or the corporation.

C. This section does not apply to the holders of shares of any class or series if the shares of the class or series are redeemable securities issued by a registered investment company as defined pursuant to the investment company act of 1940 (15 United States Code section 80a-1 through 80a-64).

D. Unless the articles of incorporation of the corporation provide otherwise, this section does not apply to the holders of shares of a class or series if the shares of the class or series were registered on a national securities exchange, were listed on the national market systems of the national association of securities dealers automated quotation system or were held of record by at least two thousand shareholders on the date fixed to determine the shareholders entitled to vote on the proposed corporate action.

Sec. 12. Repeal

Section 10-1817, Arizona Revised Statutes, is repealed.

Sec. 13. Title 10, chapter 18, article 1, Arizona Revised Statutes, is amended by adding a new section 10-1817, to read:

10-1817. Merger, interest exchange, conversion, domestication or division; definitions

A. A DOMESTIC CLOSE CORPORATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTERS 11 AND 13 OF THIS TITLE AND TITLE 29, CHAPTER 6. FOR THE PURPOSES OF THIS SUBSECTION:

1. REFERENCES IN CHAPTERS 11 AND 13 OF THIS TITLE TO:

- (a) "DIRECTORS" ARE DEEMED REFERENCES TO MANAGERS.
- (b) "SHARES" ARE DEEMED REFERENCES TO CAPITAL UNITS.
- (c) "SHAREHOLDERS" ARE DEEMED REFERENCES TO INVESTORS.

2. REFERENCES IN TITLE 29, CHAPTER 6 TO:

- (a) "GOVERNORS" ARE DEEMED REFERENCES TO MANAGERS.
- (b) "INTEREST HOLDERS" ARE DEEMED REFERENCES TO INVESTORS.
- (c) "INTERESTS" ARE DEEMED REFERENCES TO CAPITAL UNITS.

B. A PLAN OF MERGER MUST BE APPROVED BY ALL OF THE INVESTORS.

C. A PLAN OF CONVERSION MUST BE APPROVED BY AT LEAST TWO-THIRDS OF THE INVESTORS.

D. A PLAN OF INTEREST EXCHANGE, DOMESTICATION OR DIVISION MUST BE APPROVED BY A MAJORITY OF THE INVESTORS.

E. IF A DOMESTIC CLOSE CORPORATION IS TO BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION, THE NUMBER OF INVESTORS IN THE CORPORATION ON THE EFFECTIVE DATE OF THE TRANSACTION MAY NOT EXCEED TEN INVESTORS.

F. FOR THE PURPOSES OF THIS SECTION:

1 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
2 ARTICLE 4.

3 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
4 ARTICLE 6.

5 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
6 6, ARTICLE 5.

7 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
8 CHAPTER 6, ARTICLE 3.

9 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
10 ARTICLE 2.

11 Sec. 14. Repeal

12 Section 10-1818, Arizona Revised Statutes, is repealed.

13 Sec. 15. Title 10, chapter 18, article 4, Arizona Revised Statutes, is
14 amended by adding section 10-1875, to read:

15 10-1875. Merger, interest exchange, conversion, domestication
16 or division; definitions

17 A. A DOMESTIC BUSINESS TRUST MAY BE A PARTY TO OR OTHERWISE UNDERTAKE
18 A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION
19 BY COMPLYING WITH CHAPTERS 11 AND 13 OF THIS TITLE AND TITLE 29, CHAPTER 6.

20 B. IF A DOMESTIC BUSINESS TRUST IS TO BE CREATED IN A MERGER, A
21 CONVERSION, A DOMESTICATION OR A DIVISION, THE TRUST MUST COMPLY WITH THE
22 DELIVERY REQUIREMENTS SET FORTH IN SECTION 10-1874, SUBSECTIONS A AND B.

23 C. FOR THE PURPOSES OF THIS SECTION, REFERENCES IN CHAPTERS 11 AND 13
24 OF THIS TITLE TO:

25 1. "CORPORATIONS" ARE DEEMED REFERENCES TO BUSINESS TRUSTS.

26 2. "DIRECTORS" ARE DEEMED REFERENCES TO TRUSTEES.

27 3. "SHAREHOLDERS" ARE DEEMED REFERENCES TO HOLDERS OF TRANSFERABLE
28 CERTIFICATES EVIDENCING BENEFICIAL INTERESTS IN THE TRUST ESTATE.

29 D. FOR THE PURPOSES OF THIS SECTION:

30 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
31 ARTICLE 4.

32 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
33 ARTICLE 6.

34 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
35 6, ARTICLE 5.

36 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
37 CHAPTER 6, ARTICLE 3.

38 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
39 ARTICLE 2.

40 Sec. 16. Section 10-2020, Arizona Revised Statutes, is amended to
41 read:

42 10-2020. License and other fees; tax exemption

43 Each association shall pay a nonrefundable annual license fee of ten
44 dollars, but shall be exempt from all franchise or license taxes. Each
45 association shall pay a nonrefundable fee of ten dollars for filing articles

of incorporation and a nonrefundable fee of two dollars ~~and~~ fifty cents for filing an amendment to the articles. ALL OTHER FILING, SERVICE AND COPYING FEES ARE DETERMINED PURSUANT TO SECTION 10-3122.

Sec. 17. Title 10, chapter 19, article 1, Arizona Revised Statutes, is amended by adding section 10-2026, to read:

10-2026. ~~Merger, interest exchange, conversion, domestication~~
or division; definitions

A. A DOMESTIC COOPERATIVE MARKETING ASSOCIATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTER 34 OF THIS TITLE AND TITLE 29, CHAPTER 6.

B. IF A DOMESTIC COOPERATIVE MARKETING ASSOCIATION IS TO BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION, THE INITIAL MEMBERS OF THE ASSOCIATION MUST CONSIST OF FIVE OR MORE PERSONS ENGAGED IN THE PRODUCTION OF AGRICULTURAL PRODUCTS IN ACCORDANCE WITH SECTION 10-2003, SUBSECTION A.

C. FOR THE PURPOSES OF THIS SECTION, REFERENCES IN CHAPTER 34 OF THIS TITLE TO A "CORPORATION" ARE DEEMED REFERENCES TO A DOMESTIC COOPERATIVE MARKETING ASSOCIATION.

D. FOR THE PURPOSES OF THIS SECTION:

1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 4.

2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 6.

3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 5.

4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 3.

5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 2.

Sec. 18. Section 10-2054, Arizona Revised Statutes, is amended to read:

10-2054. ~~Name~~

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

B. The name of a cooperative shall be distinguishable from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in, this state. Only a cooperative doing business

1 in this state pursuant to this article shall use both the words "electric"
 2 and "cooperative" in its name, but this section shall not apply to any
 3 corporation ~~which~~ THAT becomes subject to this article by ~~complying with~~
 4 ~~section 10-2076~~ CONVERTING TO A COOPERATIVE PURSUANT TO TITLE 29, CHAPTER 6
 5 and ~~which~~ THAT elects to retain a corporate name ~~which~~ THAT does not comply
 6 with this section. The restriction on the use of the words "electric" and
 7 "cooperative" does not apply to generation and transmission cooperatives
 8 organized under article 4 of this chapter.

9 Sec. 19. Repeal

10 Sections 10-2073, 10-2074, 10-2075 and 10-2076, Arizona Revised
 11 Statutes, are repealed.

12 Sec. 20. Title 10, chapter 19, article 2, Arizona Revised Statutes, is
 13 amended by adding a new section 10-2073, to read:

14 10-2073. Merger, interest exchange, conversion, domestication
 15 or division; definitions

16 A. A DOMESTIC ELECTRIC COOPERATIVE NONPROFIT MEMBERSHIP CORPORATION
 17 MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A
 18 CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTER 34 OF
 19 THIS TITLE AND TITLE 29, CHAPTER 6. A PLAN MUST BE APPROVED BY TWO-THIRDS OF
 20 THE MEMBERS.

21 B. IF A DOMESTIC ELECTRIC COOPERATIVE NONPROFIT MEMBERSHIP CORPORATION
 22 IS TO BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION,
 23 BOTH OF THE FOLLOWING APPLY:

24 1. THE INITIAL MEMBERS OF THE CORPORATION MUST CONSIST OF FIVE OR MORE
 25 NATURAL PERSONS OR TWO OR MORE COOPERATIVES IN ACCORDANCE WITH SECTION
 26 10-2053.

27 2. THE NAME OF THE CORPORATION MUST COMPLY WITH SECTION 10-2054.

28 C. FOR THE PURPOSES OF THIS SECTION:

29 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
 30 ARTICLE 4.

31 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
 32 ARTICLE 6.

33 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
 34 6, ARTICLE 5.

35 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
 36 CHAPTER 6, ARTICLE 3.

37 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
 38 ARTICLE 2.

39 6. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION,
 40 DOMESTICATION OR DIVISION.

41 Sec. 21. Section 10-2079, Arizona Revised Statutes, is amended to
 42 read:

43 10-2079. Fees

44 The corporation commission shall charge and collect the following
 45 nonrefundable fees for:

1 1. Filing articles of incorporation, ten dollars.
2 2. Filing articles of amendment, ten dollars.
3 3. Filing ~~articles of consolidation or merger~~ STATEMENT OF MERGER,
4 INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION, ten dollars.
5 ~~4. Filing articles of conversion, ten dollars.~~
6 ~~5.~~ 4. Filing certificate of election to dissolve, ten dollars.
7 ~~6.~~ 5. Filing articles of dissolution, ten dollars.
8 ~~7.~~ 6. Filing certificate of change of principal office, five dollars.
9 Sec. 22. Title 10, chapter 19, article 3, Arizona Revised Statutes, is
10 amended by adding section 10-2107, to read:
11 10-2107. Merger, interest exchange, conversion, domestication
12 or division; definitions
13 A. A FRATERNAL OR BENEVOLENT SOCIETY MAY BE A PARTY TO OR OTHERWISE
14 UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A
15 DIVISION BY COMPLYING WITH CHAPTER 34 OF THIS TITLE AND TITLE 29, CHAPTER 6.
16 B. FOR THE PURPOSES OF THIS SECTION, REFERENCES IN CHAPTER 34 OF THIS
17 TITLE TO "DIRECTORS" ARE DEEMED REFERENCES TO TRUSTEES, AND REFERENCES TO A
18 "CORPORATION" ARE DEEMED REFERENCES TO A FRATERNAL OR BENEVOLENT SOCIETY.
19 C. IF A FRATERNAL OR BENEVOLENT SOCIETY GOVERNED BY THIS ARTICLE IS TO
20 BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION:
21 1. THE INITIAL MEMBERS OF THE SOCIETY MUST BE MEMBERS OF THE TYPE
22 DESCRIBED IN SECTION 10-2101.
23 2. THE TRUSTEES OF THE SOCIETY MUST BE MEMBERS OF THE SOCIETY AND MUST
24 BE NOT LESS THAN THREE NOR MORE THAN NINE IN NUMBER IN ACCORDANCE WITH
25 SECTION 10-2101.
26 D. FOR THE PURPOSES OF THIS SECTION:
27 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
28 ARTICLE 4.
29 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
30 ARTICLE 6.
31 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
32 6, ARTICLE 5.
33 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
34 CHAPTER 6, ARTICLE 3.
35 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
36 ARTICLE 2.
37 Sec. 23. Repeal
38 Sections 10-2139, 10-2140 and 10-2142, Arizona Revised Statutes, are
39 repealed.
40 Sec. 24. Title 10, chapter 19, article 4, Arizona Revised Statutes, is
41 amended by adding a new section 10-2139, to read:
42 10-2139. Merger, interest exchange, conversion, domestication
43 or division; definitions
44 A. A DOMESTIC NONPROFIT ELECTRIC GENERATION AND TRANSMISSION
45 COOPERATIVE CORPORATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN

INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTER 34 OF THIS TITLE AND TITLE 29, CHAPTER 6.

B. EXCEPT AS SET FORTH IN SECTION 10-2141, A PLAN MUST BE APPROVED BY TWO-THIRDS OF THE MEMBERS.

C. IF A DOMESTIC NONPROFIT ELECTRIC GENERATION AND TRANSMISSION COOPERATIVE CORPORATION IS TO BE CREATED IN A MERGER, A CONVERSION, DOMESTICATION OR A DIVISION:

1. THE INITIAL MEMBERS OF THE CORPORATION MUST CONSIST OF TWO OR MORE ELECTRIC UTILITIES OR PERSONS THAT FULFILL THE REQUIREMENTS FOR BEING A MEMBER AS PRESCRIBED BY SECTION 10-2123.

2. THE NAME OF THE CORPORATION MUST COMPLY WITH SECTION 10-2124.

D. FOR THE PURPOSES OF THIS SECTION:

1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 4.

2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 6.

3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 5.

4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 3.

5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 2.

6. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION.

Sec. 25. Section 10-2145, Arizona Revised Statutes, is amended to read:

10-2145. Fees

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

1. Filing articles of incorporation, ten dollars.

2. Filing articles of amendment, ten dollars.

3. Filing ~~articles of consolidation or merger~~ STATEMENT OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION, ten dollars.

~~4. Filing articles of conversion, ten dollars.~~

~~5.~~ 4. Filing certificate of election to dissolve, ten dollars.

~~6.~~ 5. Filing articles of dissolution, ten dollars.

~~7.~~ 6. Filing certificate of change of principal office, five dollars.

Sec. 26. Repeal

Section 10-2240, Arizona Revised Statutes, is repealed.

Sec. 27. Title 10, chapter 20, article 5, Arizona Revised Statutes, is amended by adding a new section 10-2240, to read:

10-2240. Merger, interest exchange, conversion, domestication or division; definitions

A. A DOMESTIC PROFESSIONAL CORPORATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A

1 DIVISION BY COMPLYING WITH CHAPTERS 11 AND 13 OF THIS TITLE AND TITLE 29,
2 CHAPTER 6.

3 B. IF A DOMESTIC PROFESSIONAL CORPORATION IS TO BE CREATED IN A
4 MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION, THE SHAREHOLDERS OF THE
5 CORPORATION MUST BE QUALIFIED TO BE SHAREHOLDERS AS PROVIDED IN THIS CHAPTER.

6 C. FOR THE PURPOSES OF THIS SECTION:

7 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
8 ARTICLE 4.

9 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
10 ARTICLE 6.

11 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
12 6, ARTICLE 5.

13 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
14 CHAPTER 6, ARTICLE 3.

15 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
16 ARTICLE 2.

17 Sec. 28. Title 10, chapter 21, article 1, Arizona Revised Statutes, is
18 amended by adding section 10-2267, to read:

19 10-2267. Merger, interest exchange, conversion, domestication
20 or division; definitions

21 A. A DOMESTIC BUSINESS DEVELOPMENT CORPORATION MAY BE A PARTY TO OR
22 OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A
23 DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTERS 11 AND 13 OF THIS
24 TITLE AND TITLE 29, CHAPTER 6.

25 B. IF A DOMESTIC BUSINESS DEVELOPMENT CORPORATION IS TO BE CREATED IN
26 A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION:

27 1. THE SHAREHOLDERS OF THE CORPORATION MUST BE RESIDENTS OF THIS STATE
28 AS PRESCRIBED BY SECTION 10-2259, SUBSECTION A.

29 2. THE FORMATION OF THE CORPORATION MUST OTHERWISE COMPLY WITH THIS
30 CHAPTER.

31 C. FOR THE PURPOSES OF THIS SECTION:

32 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
33 ARTICLE 4.

34 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
35 ARTICLE 6.

36 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
37 6, ARTICLE 5.

38 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
39 CHAPTER 6, ARTICLE 3.

40 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
41 ARTICLE 2.

1 Sec. 29. Section 10-2405, Arizona Revised Statutes, is amended to
2 read:

3 10-2405. Termination of benefit corporation status

4 A. A benefit corporation may terminate its status as a benefit
5 corporation and cease to be subject to this chapter by amending its articles
6 of incorporation to delete the provision required by ~~sections~~ SECTION 10-2403
7 or 10-2404 to be stated in the articles of a benefit corporation. In order
8 to be effective, the amendment must be adopted by at least the minimum status
9 vote.

10 ~~B. If a plan of merger or share exchange would have the effect of~~
11 ~~terminating the status of a business corporation as a benefit corporation,~~
12 ~~the plan must be adopted by at least the minimum status vote in order to be~~
13 ~~effective.~~ Any sale, lease, exchange or other disposition of all or
14 substantially all of the assets of a benefit corporation, unless the
15 transaction is in the usual and regular course of business, shall not be
16 effective unless the transaction is approved by at least the minimum status
17 vote.

18 Sec. 30. Title 10, chapter 22, article 1, Arizona Revised Statutes, is
19 amended by adding section 10-2406, to read:

20 10-2406. Merger, interest exchange, conversion, domestication
21 or division; definitions

22 A. A DOMESTIC BENEFIT CORPORATION MAY BE A PARTY TO OR OTHERWISE
23 UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A
24 DIVISION BY COMPLYING WITH CHAPTERS 11 AND 13 OF THIS TITLE AND TITLE 29,
25 CHAPTER 6.

26 B. IF A BENEFIT CORPORATION IS TO BE CREATED IN A MERGER, A
27 CONVERSION, A DOMESTICATION OR A DIVISION, THE FORMATION OF THE CORPORATION
28 MUST OTHERWISE COMPLY WITH THIS CHAPTER.

29 C. IF A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR
30 A DIVISION WOULD HAVE THE EFFECT OF TERMINATING THE STATUS OF A BUSINESS
31 CORPORATION AS A BENEFIT CORPORATION, THE PLAN MUST BE ADOPTED BY AT LEAST
32 THE MINIMUM STATUS VOTE IN ORDER TO BE EFFECTIVE.

33 D. FOR THE PURPOSES OF THIS SECTION:

34 1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
35 ARTICLE 4.

36 2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
37 ARTICLE 6.

38 3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER
39 6, ARTICLE 5.

40 4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29,
41 CHAPTER 6, ARTICLE 3.

42 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
43 ARTICLE 2.

44 6. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION,
45 DOMESTICATION OR DIVISION.

1 Sec. 31. Section 10-3122, Arizona Revised Statutes, is amended to
2 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 nonrefundable fees
8 when the documents described in this subsection are delivered to the
9 commission for filing or issuance:

<u>Document</u>	<u>Fee</u>
1. Articles of incorporation	\$ 30
2. Application for use of indistinguishable name	\$ 10
3. Application for reserved name	\$ 10
4. Notice of transfer of reserved name	\$ 10
5. Application for registered name	\$ 10
6. Application for renewal of registered name	\$ 10
7. Agent's statement of resignation	\$ 10
8. Amendment of articles of incorporation	\$ 25
9. Restatement of articles of incorporation with amendment of articles	\$ 25
10. Articles of merger or membership exchange STATEMENT OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION IF THE ENTITY RESPONSIBLE FOR FILING THE STATEMENT IS A NONPROFIT CORPORATION	\$100
11. Articles of dissolution	\$ 25
12. Articles of domestication	\$100
13. 12. Articles of revocation of dissolution	\$ 25
14. 13. Application for reinstatement following administrative dissolution or revocation, in addition to other fees and penalties due	\$ 25
15. 14. Application for authority	\$150
16. 15. Application for withdrawal	\$ 25
17. 16. Annual report	\$ 10
18. 17. Articles of correction	\$ 25
19. 18. Application for certificate of good standing	\$ 10

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

42 C. The commission shall charge and collect fifty cents per page for
43 copying documents on request. The commission shall also charge five dollars
44 plus fifty cents per page for certifying the copy of a filed document. The

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

3 D. A penalty of one hundred dollars payable in addition to other fees
4 accrues and is payable if a foreign corporation fails to file an amendment,
5 restated articles that include an amendment, or articles of merger within
6 sixty days of the time of filing in the jurisdiction in which the corporation
7 is domiciled. The penalty collected pursuant to this subsection shall be
8 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

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

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

17 G. The commission may charge persons who access the commission's data
18 processing system that is maintained pursuant to section 10-122.01 from
19 remote locations and persons requesting special computer generated printouts,
20 reports and tapes a reasonable fee that does not exceed the cost of the time,
21 equipment and personnel necessary to provide this service or product as
22 determined by the commission.

23 H. Except as provided in section 10-122.01, subsection B, paragraph 3,
24 in addition to any fee charged pursuant to this section, the commission may
25 charge and collect the following nonrefundable fees to help defray the cost
26 of the improved data processing system that is maintained pursuant to section
27 10-122.01:

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

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

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

35 J. Fees charged pursuant to this section are exempt from section
36 39-121.03, subsection A, paragraph 3.

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

42 Sec. 32. Heading change

43 The chapter heading of title 10, chapter 25, Arizona Revised Statutes,
44 is changed from "INCORPORATION AND TRANSFER OF DOMICILE-NONPROFIT
45 CORPORATIONS" to "INCORPORATION-NONPROFIT CORPORATIONS".

1 Sec. 33. Repeal
2 Title 10, chapter 25, article 2, Arizona Revised Statutes, is repealed.
3 Sec. 34. Heading change
4 The chapter heading of title 10, chapter 34, Arizona Revised Statutes,
5 is changed from "MERGERS-NONPROFIT CORPORATIONS" to "MERGERS AND OTHER
6 RESTRUCTURING TRANSACTIONS-NONPROFIT CORPORATIONS".
7 Sec. 35. Repeal
8 Sections 10-11101 and 10-11102, Arizona Revised Statutes, are repealed.
9 Sec. 36. Title 10, chapter 34, article 1, Arizona Revised Statutes, is
10 amended by adding new sections 10-11101 and 10-11102, to read:
11 10-11101. Definitions
12 A. IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:
13 1. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION,
14 DOMESTICATION OR DIVISION, AS APPLICABLE.
15 2. "TRANSACTION" MEANS A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A
16 DOMESTICATION OR A DIVISION, AS APPLICABLE.
17 B. EXCEPT FOR TERMS DEFINED IN CHAPTERS 24 THROUGH 40 OF THIS TITLE OR
18 UNLESS THE CONTEXT OTHERWISE REQUIRES, TERMS USED IN THIS ARTICLE HAVE THE
19 SAME MEANINGS PRESCRIBED IN SECTION 29-2102.
20 10-11102. Entity restructuring transactions
21 A. IF ITS BOARD OF DIRECTORS ADOPTS AND, IF REQUIRED BY SECTION
22 10-11103, ITS MEMBERS AND OTHER PERSONS APPROVE A PLAN, A DOMESTIC
23 CORPORATION MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION BY
24 ADOPTING A PLAN AND OTHERWISE COMPLYING WITH THIS ARTICLE AND:
25 1. TITLE 29, CHAPTER 6, ARTICLE 2 FOR A MERGER.
26 2. TITLE 29, CHAPTER 6, ARTICLE 3 FOR AN INTEREST EXCHANGE.
27 3. TITLE 29, CHAPTER 6, ARTICLE 4 FOR A CONVERSION.
28 4. TITLE 29, CHAPTER 6, ARTICLE 5 FOR A DOMESTICATION.
29 5. TITLE 29, CHAPTER 6, ARTICLE 6 FOR A DIVISION.
30 B. THE EFFECTIVE TIME AND DATE OF THE TRANSACTION ARE AS PROVIDED IN
31 TITLE 29, CHAPTER 6. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE, THE
32 PROCEDURES REGARDING THE EFFECT OF AND ALL OTHER ASPECTS OF THE TRANSACTION
33 ARE GOVERNED BY TITLE 29, CHAPTER 6.
34 C. THIS SECTION DOES NOT LIMIT THE POWER OF A CORPORATION TO ACQUIRE
35 ALL OR PART OF THE INTERESTS OF ANOTHER ENTITY THROUGH A VOLUNTARY EXCHANGE
36 OR OTHERWISE.
37 Sec. 37. Section 10-11103, Arizona Revised Statutes, is amended to
38 read:
39 10-11103. Action on plan
40 A. If the members of ~~any merging~~ A DOMESTIC corporation or other
41 persons are entitled to vote on or approve the plan, except as provided in
42 subsection G of this section, after adopting a plan ~~of merger or membership~~
43 ~~exchange~~, the board of directors of the corporation shall submit the plan ~~of~~
44 ~~merger or membership exchange~~ for approval by its members and the other
45 persons.

B. For a plan ~~of merger or membership exchange~~ to be approved all of the following ~~shall have occurred~~ MUST OCCUR:

1. The board of directors ~~shall recommend~~ RECOMMENDS the plan ~~of merger or membership exchange~~ to the members, unless the board of directors determines that because of a conflict of interest or other special circumstances it should not make a recommendation and communicates the basis for its determination to the members with the plan.

2. The members entitled to vote on the plan ~~of merger or membership exchange shall~~ approve the plan.

3. Each person whose approval is required by the articles of incorporation for a ~~merger~~ TRANSACTION OF THE KIND CONTEMPLATED BY THE PLAN ~~shall approve~~ APPROVES the plan in writing.

C. The board of directors may condition its submission of the ~~proposed merger or membership exchange~~ PLAN on any basis.

D. If the corporation submits the transaction for member action at a membership meeting, the corporation shall notify each member of the proposed membership meeting at which the plan ~~of merger or membership exchange~~ is to be submitted for approval in accordance with section 10-3705. The notice shall state that the purpose or one of the purposes of the meeting is to consider the plan ~~of merger or membership~~ and shall contain or be accompanied by a copy or summary of the plan.

E. Unless chapters 24 through 40 of this title, the articles of incorporation or the board of directors acting pursuant to subsection C of this section requires a greater vote or voting by class, the plan ~~of merger or membership exchange~~ to be authorized shall be approved by a majority of the votes cast or a majority of the voting power of the class, whichever is less.

F. Voting by a class of members is required on a plan ~~of merger or membership exchange~~ if the plan contains a provision that, if contained in a proposed amendment to articles of incorporation or bylaws, would entitle the class of members to vote as a class on the proposed amendment under section 10-11004 or 10-11022. The plan is approved by a class of members by two-thirds of the votes cast by the class or a majority of the voting power of the class, whichever is less.

G. Unless the articles of incorporation otherwise require, action by the members of A DOMESTIC CORPORATION THAT IS the surviving corporation on a plan of merger is not required if all of the following conditions exist:

1. The articles of incorporation of the surviving corporation will not differ, except for amendments enumerated in section 10-11002, from its articles of incorporation before the merger.

2. Each member of the surviving corporation who was a member immediately before the effective date of merger will hold the same number of memberships with identical designations, preferences, limitations and relative rights immediately after the effective date of merger.

3. The number of voting members existing immediately after the merger, plus the number of voting memberships issuable as a result of the merger, will not exceed more than twenty per cent the total number of voting memberships of the surviving corporation existing immediately before the merger.

4. The number of memberships, if any, that entitle the holders of the memberships to participate without limitation in distributions existing immediately after the merger, plus the number of participating memberships issuable as a result of the merger, will not exceed the total number of participating memberships existing immediately before the merger by more than ninety per cent.

~~H. At any time before the filing of the articles of merger, the plan of merger or membership exchange may be abandoned, subject to any contractual rights, without further action by the members or other persons who approved the plan, in accordance with the procedure set forth in the plan of merger or membership exchange or, if none is set forth, in the manner determined by the board of directors.~~

Sec. 38. Section 10-11105, Arizona Revised Statutes, is amended to read:

10-11105. Statement of merger or interest exchange; publication

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

~~1. The plan of merger or membership exchange.~~

~~2. Articles of merger or membership exchange setting forth:~~

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

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

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

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

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

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

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

~~D.~~ Within sixty days after the commission approves the filing, a copy of the ~~articles~~ STATEMENT of merger or ~~membership~~ INTEREST exchange shall be

published. An affidavit evidencing the publication may be filed with the commission.

Sec. 39. Repeal

Sections 10-11106 and 10-11107, Arizona Revised Statutes, are repealed.

Sec. 40. Section 10-11108, Arizona Revised Statutes, is amended to read:

10-11108. Requests, devises and gifts

UNLESS THE WILL OR OTHER INSTRUMENT OTHERWISE SPECIFICALLY PROVIDES, any bequest, devise, gift, grant or promise THAT IS contained in a will or other instrument of donation, subscription or conveyance, that is made to a ~~constituent~~ DOMESTIC NONPROFIT corporation and that takes effect or remains payable after the ~~merger~~, TRANSACTION inures, ~~to the surviving corporation unless the will or other instrument otherwise specifically provides~~ AS APPLICABLE, TO THE SURVIVING ENTITY IN A MERGER, THE ACQUIRING ENTITY IN AN INTEREST EXCHANGE, THE CONVERTED ENTITY IN A CONVERSION, THE DOMESTICATED ENTITY IN A DOMESTICATION AND, AS SPECIFIED IN THE STATEMENT OF DIVISION, ONE OR MORE OF THE RESULTING ENTITIES IN A DIVISION.

Sec. 41. Title 10, chapter 42, article 1, Arizona Revised Statutes, is amended by adding section 10-11909, to read:

10-11909. Merger, interest exchange, conversion, domestication or division; definitions

A. A DOMESTIC CORPORATION SOLE MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH CHAPTER 34 OF THIS TITLE AND TITLE 29, CHAPTER 6.

B. IF A DOMESTIC CORPORATION SOLE IS TO BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION:

1. THE ONLY MEMBER AND DIRECTOR OF THE CORPORATION MUST BE THE PERSON COMPRISING THE CORPORATION SOLE IN ACCORDANCE WITH SECTIONS 10-11901 AND 10-11908.

2. THE ARTICLES OF INCORPORATION MUST BE RECORDED AS PROVIDED BY SECTION 10-11902.

C. FOR THE PURPOSES OF THIS SECTION, REFERENCES IN CHAPTER 34 OF THIS TITLE TO "DIRECTORS" OR "MEMBERS" ARE DEEMED REFERENCES TO THE PERSON WHO IS A CORPORATION SOLE AND REFERENCES TO A "CORPORATION" ARE DEEMED REFERENCES TO A CORPORATION SOLE.

D. FOR THE PURPOSES OF THIS SECTION:

1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 4.

2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 6.

3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 5.

4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6, ARTICLE 3.

1 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY TITLE 29, CHAPTER 6,
2 ARTICLE 2.

3 Sec. 42. Heading change

4 The article heading of title 29, chapter 3, article 13, Arizona Revised
5 Statutes, is changed from "CONVERSIONS AND MERGERS" to "MERGERS AND OTHER
6 RESTRUCTURING TRANSACTIONS".

7 Sec. 43. Repeal

8 Sections 29-368, 29-369, 29-370, 29-371 and 29-372, Arizona Revised
9 Statutes, are repealed.

10 Sec. 44. Title 29, chapter 3, article 13, Arizona Revised Statutes, is
11 amended by adding new sections 29-368, 29-369 and 29-370, to read:

12 29-368. Definitions

13 A. IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

14 1. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION,
15 DOMESTICATION OR DIVISION, AS APPLICABLE.

16 2. "TRANSACTION" MEANS A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A
17 DOMESTICATION OR A DIVISION, AS APPLICABLE.

18 B. EXCEPT FOR TERMS DEFINED IN CHAPTERS 1 THROUGH 17 OF THIS TITLE OR
19 UNLESS THE CONTEXT OTHERWISE REQUIRES, TERMS USED IN THIS ARTICLE HAVE THE
20 SAME MEANINGS PRESCRIBED IN CHAPTER 6 OF THIS TITLE.

21 29-369. Entity restructuring transactions

22 A. IF A PLAN IS APPROVED AS PROVIDED BY SECTION 29-370, A DOMESTIC
23 LIMITED PARTNERSHIP MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION BY
24 ADOPTING A PLAN AND OTHERWISE COMPLYING WITH THIS ARTICLE AND:

25 1. CHAPTER 6, ARTICLE 2 OF THIS TITLE FOR A MERGER.

26 2. CHAPTER 6, ARTICLE 3 OF THIS TITLE FOR AN INTEREST EXCHANGE.

27 3. CHAPTER 6, ARTICLE 4 OF THIS TITLE FOR A CONVERSION.

28 4. CHAPTER 6, ARTICLE 5 OF THIS TITLE FOR A DOMESTICATION.

29 5. CHAPTER 6, ARTICLE 6 OF THIS TITLE FOR A DIVISION.

30 B. THE EFFECTIVE TIME AND DATE OF THE TRANSACTION ARE AS PROVIDED IN
31 CHAPTER 6 OF THIS TITLE. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE, THE
32 PROCEDURES REGARDING THE EFFECT OF AND ALL OTHER ASPECTS OF THE TRANSACTION
33 ARE GOVERNED BY CHAPTER 6 OF THIS TITLE.

34 C. THIS SECTION DOES NOT LIMIT THE POWER OF A LIMITED PARTNERSHIP TO
35 ACQUIRE ALL OR PART OF THE INTERESTS OF ANOTHER ENTITY THROUGH A VOLUNTARY
36 EXCHANGE OR OTHERWISE.

37 29-370. Action on plan

38 THE PLAN MUST BE APPROVED BY ALL OF THE PARTNERS OR A NUMBER OR
39 PERCENTAGE SPECIFIED FOR THE TRANSACTION IN THE PARTNERSHIP AGREEMENT.

40 Sec. 45. Section 29-373, Arizona Revised Statutes, is amended to read:

41 29-373. Effect of transaction; definition

42 ~~A. When a merger takes effect:~~

43 ~~1. The separate existence of every partnership, limited partnership or~~
44 ~~other business entity that is a party to the merger, other than the surviving~~
45 ~~entity, ceases.~~

~~2. All property owned by each of the merged partnerships, limited partnerships or other business entities vests in the surviving entity.~~

~~3. All obligations of every partnership, limited partnership or other business entity that is a party to the merger become the obligations of the surviving entity.~~

~~4. An action or proceeding pending against any partnership, limited partnership or other business entity that is a party to the merger may be continued as if the merger had not occurred, or the surviving entity may be substituted as a party to the action or proceeding.~~

~~B. If the surviving entity is a foreign partnership or limited partnership, at any time during which such entity fails to maintain an agent for service of process as required by Arizona law, the secretary of state of this state is the agent for service of process in an action or proceeding against a surviving foreign partnership or limited partnership to enforce an obligation of a domestic partnership, limited partnership or other business entity that is a party to a merger. Until the surviving foreign partnership or limited partnership appoints an agent for service of process as required by Arizona law, it shall promptly notify the secretary of state of the mailing address of its chief executive office and of any change of address. On receipt of process, the secretary of state shall mail a copy of the process to the surviving foreign partnership or limited partnership at such address, if one has been provided.~~

~~C. A. If the surviving POST-TRANSACTION entity is a partnership or DOMESTIC limited partnership, a partner of the surviving partnership or limited partnership POST-TRANSACTION ENTITY is liable for:~~

~~1. All obligations of AN ENTITY THAT IS a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION for which the partner was personally liable before the merger TRANSACTION.~~

~~2. All other obligations of the surviving POST-TRANSACTION entity incurred before the merger TRANSACTION by AN ENTITY THAT IS a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION, but those obligations may be satisfied only out of property of the POST-TRANSACTION entity.~~

~~3. All obligations of the surviving POST-TRANSACTION entity incurred after the merger TRANSACTION takes effect, but those obligations may be satisfied only out of property of the entity if the partner is a limited partner.~~

~~D. B. If the obligations incurred before the merger TRANSACTION by a partnership or DOMESTIC limited partnership that is a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION are not to be satisfied out of the property of the surviving POST-TRANSACTION entity pursuant to the plan of the merger, the general partners of that party PARTNERSHIP immediately before the effective date of the merger TRANSACTION shall contribute the amount necessary to satisfy that party's PARTNERSHIP'S obligations to the surviving POST-TRANSACTION entity in the manner provided in section 29-1077 or in the~~

~~limited partnership act of the jurisdiction in which the party was formed, as the case may be,~~ as if ~~the merged party~~ THAT PARTNERSHIP were dissolved.

~~E.~~ C. A partner of a ~~partnership or~~ DOMESTIC limited partnership that is a party to OR OTHERWISE UNDERTAKES a ~~merger~~ TRANSACTION who does not become a partner or other ~~owner~~ INTEREST HOLDER of the ~~surviving~~ POST-TRANSACTION entity is dissociated, as provided in section 29-1051, from the ~~partnership or~~ DOMESTIC limited partnership of which that partner was a partner, as of the date the ~~merger~~ TRANSACTION takes effect. If the dissociated partner was a general partner before the ~~merger~~ TRANSACTION, the ~~surviving~~ POST-TRANSACTION entity shall cause the partner's interest in the ~~merged partnership or~~ limited partnership to be purchased under section 29-334, subsection C or section 29-1061, as applicable, or another statute specifically applicable to that partner's interest with respect to a ~~merger~~ TRANSACTION. If the dissociated partner was a general partner before the ~~merger~~ TRANSACTION, the ~~surviving~~ POST-TRANSACTION entity is bound under section 29-1062 by an act of a general partner dissociated under this subsection and the partner is liable under section 29-1063 for transactions entered into by the ~~surviving~~ POST-TRANSACTION entity after the ~~merger~~ TRANSACTION takes effect.

D. FOR THE PURPOSES OF THIS SECTION, "POST-TRANSACTION ENTITY" MEANS ANY OF THE FOLLOWING, AS APPLICABLE:

1. THE SURVIVING ENTITY IN A MERGER.
2. THE CONVERTED ENTITY IN A CONVERSION.
3. THE DOMESTICATED ENTITY IN A DOMESTICATION.
4. EACH RESULTING ENTITY IN A DIVISION, JOINTLY AND SEVERALLY.

Sec. 46. Repeal

Sections 29-374, 29-375 and 29-376, Arizona Revised Statutes, are repealed.

Sec. 47. Section 29-681, Arizona Revised Statutes, is amended to read:
29-681. Management of limited liability company

A. Unless the articles of organization provide that management of the limited liability company is vested in one or more managers, management of the limited liability company is vested in the members, subject to any provision in an operating agreement restricting or enlarging the management rights or responsibilities of one or more members or classes of members.

B. If the articles of organization provide that management of the limited liability company is vested in one or more managers, management of the limited liability company is vested in a manager or managers, subject to any provisions in an operating agreement restricting or enlarging the management rights or responsibilities of one or more managers or classes of managers or reserving specified management rights to the members or classes of members. A manager need not be a member of the limited liability company unless otherwise required by an operating agreement. A manager shall be designated or elected and may be removed or replaced in the manner provided in an operating agreement. A manager also holds the office and has the

responsibilities that are accorded to him by the members and that are provided in an operating agreement. If an operating agreement does not provide a manner for designating or electing additional or replacement managers, on the withdrawal or resignation of a manager, management of the limited liability company continues to be vested in the remaining managers, or if there are no remaining managers, management is vested in one or more new managers to be designated or elected by a majority of the members.

C. Except as provided in an operating agreement, the affirmative vote, approval or consent of all members is required to:

1. Adopt, amend, amend and restate or revoke an operating agreement or authorize a transaction, agreement or action on behalf of the limited liability company that is unrelated to its purpose or business as stated in an operating agreement or that otherwise violates an operating agreement.

2. Issue an interest in the limited liability company to any person.

3. Approve a plan of merger or consolidation of the limited liability company with or into one or more ~~business~~ entities as defined in section ~~29-751~~ 29-2102.

4. Authorize an amendment to the articles of organization that changes the status of the limited liability company from or to one in which management is vested in a manager or managers to or from one in which management is reserved to the members.

D. Except as provided in an operating agreement, the affirmative vote, approval or consent of a majority of the members, or if management of the limited liability company is vested in one or more managers, the affirmative vote, approval or consent of the sole manager or a majority of the managers, is required to:

1. Resolve any difference concerning matters connected with the business of the limited liability company.

2. Authorize the distribution of limited liability company cash or property to the members.

3. Authorize the limited liability company to repurchase all or part of any member's interest in the limited liability company from that member.

4. Authorize the filing of articles of termination concerning the limited liability company.

5. Subject to subsection C, paragraph 4 of this section, authorize an amendment to the articles of organization, except that an amendment that merely corrects a false or inaccurate statement in the articles of organization may be filed at any time by a manager if management of the limited liability company is vested in one or more managers or by a member if management of the limited liability company is reserved to the members.

E. For purposes of subsections B and D of this section, a majority consists of more than one-half of the members or managers, as the case may be, except that if an operating agreement provides for allocation of voting rights among different members or managers or classes of members or managers on any basis other than a per capita basis, a majority consists of one or

more members or managers, as the case may be, who control more than one-half of the votes entitled to be cast with respect to general business decisions as provided in an operating agreement.

Sec. 48. Heading change

The article heading of title 29, chapter 4, article 7, Arizona Revised Statutes, is changed from "MERGER OR CONSOLIDATION" to "MERGERS AND OTHER RESTRUCTURING TRANSACTIONS".

Sec. 49. Repeal

Section 29-751, Arizona Revised Statutes, is repealed.

Sec. 50. Title 29, chapter 4, article 7, Arizona Revised Statutes, is amended by adding a new section 29-751, to read:

29-751. Definitions

A. IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION, AS APPLICABLE.

2. "TRANSACTION" MEANS A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION, AS APPLICABLE.

B. EXCEPT FOR TERMS DEFINED IN SECTION 29-601 OR UNLESS THE CONTEXT OTHERWISE REQUIRES, TERMS USED IN THIS ARTICLE HAVE THE SAME MEANINGS PRESCRIBED IN CHAPTER 6 OF THIS TITLE.

Sec. 51. Section 29-752, Arizona Revised Statutes, is amended to read:

29-752. Entity restructuring transactions

~~A. Pursuant to a plan of merger or consolidation that meets the conditions provided~~ IF A PLAN IS APPROVED AS PROVIDED by section 29-753, a DOMESTIC limited liability company may ~~merge or consolidate with or into one or more business entities. The surviving or resulting business entity shall be designated in the plan of merger or consolidation.~~ BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION BY ADOPTING A PLAN AND OTHERWISE COMPLYING WITH THIS ARTICLE AND:

1. CHAPTER 6, ARTICLE 2 OF THIS TITLE FOR A MERGER.

2. CHAPTER 6, ARTICLE 3 OF THIS TITLE FOR AN INTEREST EXCHANGE.

3. CHAPTER 6, ARTICLE 4 OF THIS TITLE FOR A CONVERSION.

4. CHAPTER 6, ARTICLE 5 OF THIS TITLE FOR A DOMESTICATION.

5. CHAPTER 6, ARTICLE 6 OF THIS TITLE FOR A DIVISION.

~~B. The plan of merger or consolidation shall be approved by all members of a domestic limited liability company that is to merge or consolidate, unless an operating agreement provides otherwise.~~

~~C. The plan of merger or consolidation shall be approved by each business entity other than a domestic limited liability company in the manner required by the laws of the jurisdiction in which it is organized.~~

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

B. THE EFFECTIVE TIME AND DATE OF THE TRANSACTION ARE AS PROVIDED IN CHAPTER 6 OF THIS TITLE. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE, THE PROCEDURES REGARDING THE EFFECT OF AND ALL OTHER ASPECTS OF THE TRANSACTION ARE GOVERNED BY CHAPTER 6 OF THIS TITLE.

C. THIS SECTION DOES NOT LIMIT THE POWER OF A LIMITED LIABILITY COMPANY TO ACQUIRE ALL OR PART OF THE INTERESTS OF ANOTHER ENTITY THROUGH A VOLUNTARY EXCHANGE OR OTHERWISE.

Sec. 52. Repeal

Section 29-753, Arizona Revised Statutes, is repealed.

Sec. 53. Title 29, chapter 4, article 7, Arizona Revised Statutes, is amended by adding a new section 29-753, to read:

29-753. Action on plan

THE PLAN MUST BE APPROVED BY ALL MEMBERS OF A DOMESTIC LIMITED LIABILITY COMPANY THAT IS TO BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION, UNLESS THE OPERATING AGREEMENT PROVIDES OTHERWISE.

Sec. 54. Section 29-754, Arizona Revised Statutes, is amended to read:

29-754. Statement of merger or other transaction; publication

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

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

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

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

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

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

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

~~5. Include any amendments to the articles of organization of the surviving limited liability company if the surviving or resulting business entity is a limited liability company.~~

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

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

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

~~C. A. Articles of merger or consolidation~~ A STATEMENT OF MERGER, CONVERSION, DOMESTICATION OR DIVISION shall serve as articles of termination for a DOMESTIC limited liability company that is not the surviving or resulting business entity in ~~the merger or consolidation~~ A TRANSACTION.

~~D. B. If the articles~~ A STATEMENT of merger ~~include~~ INCLUDES amendments to the articles of organization OF A DOMESTIC LIMITED LIABILITY COMPANY, the document shall be published as provided in section 29-633. The document required to be filed and published shall be styled "~~articles of amendment and~~ STATEMENT OF merger".

Sec. 55. Repeal

Sections 29-755, 29-756 and 29-757, Arizona Revised Statutes, are repealed.

Sec. 56. Title 29, chapter 4, article 11, Arizona Revised Statutes, is amended by adding section 29-848, to read:

29-848. Merger, interest exchange, conversion, domestication or division; definitions

A. A DOMESTIC PROFESSIONAL LIMITED LIABILITY COMPANY MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A DOMESTICATION OR A DIVISION BY COMPLYING WITH ARTICLE 7 OF THIS CHAPTER AND CHAPTER 6 OF THIS TITLE.

B. IF A DOMESTIC PROFESSIONAL LIMITED LIABILITY COMPANY IS TO BE CREATED IN A MERGER, A CONVERSION, A DOMESTICATION OR A DIVISION:

1. THE MEMBERS OF THE COMPANY MUST BE QUALIFIED TO BE MEMBERS AS PROVIDED BY SECTION 29-844, SUBSECTION B.

2. THE ARTICLES OF ORGANIZATION OF THE COMPANY MUST COMPLY WITH SECTION 29-841.01, SUBSECTION A.

C. FOR THE PURPOSES OF THIS SECTION:

1. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY CHAPTER 6, ARTICLE 4 OF THIS TITLE.

2. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY CHAPTER 6, ARTICLE 6 OF THIS TITLE.

3. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY CHAPTER 6, ARTICLE 5 OF THIS TITLE.

4. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY CHAPTER 6, ARTICLE 3 OF THIS TITLE.

1 5. "MERGER" MEANS A TRANSACTION AUTHORIZED BY CHAPTER 6, ARTICLE 2 OF
2 THIS TITLE.

3 Sec. 57. Section 29-851, Arizona Revised Statutes, is amended to read:

4 29-851. Filing, service and copying fees; expedited filing and
5 services; same day and next day services; posted wait
6 times; advance monies; definition

7 A. The commission shall collect and deposit, pursuant to sections
8 35-146 and 35-147, the following nonrefundable fees when the following
9 documents are delivered to the commission:

10 1. The initial articles of organization, fifty dollars.

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

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

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

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

18 6. ~~Articles of merger~~ STATEMENT OF MERGER, INTEREST EXCHANGE,
19 CONVERSION, DOMESTICATION OR DIVISION IF THE ENTITY RESPONSIBLE FOR FILING
20 THE STATEMENT IS A LIMITED LIABILITY COMPANY, fifty dollars.

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

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

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

26 10. Five dollars for a statement of change of address of one or more of
27 the following:

28 (a) Known place of business.

29 (b) Statutory agent.

30 (c) Manager.

31 (d) Member.

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

37 12. Articles of correction, the fee prescribed in section 10-122,
38 subsection A, paragraph ~~18~~ 17.

39 13. Application for reinstatement following administrative dissolution,
40 in addition to other fees and penalties due, the fee prescribed in section
41 10-122, subsection A, paragraph ~~14~~ 13.

42 B. The commission shall provide for and establish an expedited service
43 for the filing of all documents and services provided pursuant to this
44 chapter as follows:

1 1. The expedited filing shall be a priority service to be completed as
2 soon as possible after the documents are delivered to the commission.

3 2. In addition to any other fees required by this section or any other
4 law, the commission shall charge a nonrefundable fee for expedited services,
5 including those requested by fax. The fee shall be determined by a
6 supermajority vote of the commissioners.

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

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

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

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

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

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

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

29 Sec. 58. Section 29-1001, Arizona Revised Statutes, is amended to
30 read:

31 29-1001. Definitions

32 In this chapter, unless the context otherwise requires:

33 1. "Business" includes every trade, occupation and profession.

34 2. "Chief executive office" means the place from which the main part
35 of the partnership's business is managed.

36 3. "Debtor in bankruptcy" means a person who is the subject of either:

37 (a) An order for relief under title 11 of the United States Code or a
38 comparable order under a successor statute of general application.

39 (b) A comparable order under federal, state or foreign law governing
40 insolvency.

41 4. "Distribution" means a transfer of money or other property from a
42 partnership to a partner in the partner's capacity as a partner or to the
43 partner's transferee.

44 5. "Foreign limited liability partnership" means a partnership or
45 limited partnership THAT IS formed or created under laws other than the laws

1 of this state and ~~which~~ THAT is qualified as a limited liability partnership
2 under those laws.

3 6. "General partner" means a partner in a partnership and a general
4 partner in a limited partnership.

5 7. "Limited liability partnership" means a partnership or limited
6 partnership that has filed a statement of qualification under section
7 29-1101.

8 8. "Limited partner" means a limited partner in a limited partnership.

9 9. "Limited partnership" means a limited partnership created under
10 chapter 3 of this title, predecessor law or comparable law of another
11 jurisdiction.

12 10. "Partner" means a general partner and, for purposes of article 9 of
13 this chapter, both a general partner and a limited partner.

14 11. "Partnership" means an association or entity formed under section
15 29-1012, A predecessor law or A comparable law of another jurisdiction.

16 12. "Partnership agreement" means the agreement, whether written, oral
17 or implied, among the partners concerning the partnership, including
18 amendments to the partnership agreement.

19 13. "Partnership at will" means a partnership in which the partners
20 have not agreed to remain partners until the expiration of a definite term or
21 the completion of a particular undertaking.

22 14. "Partnership interest" or "partner's interest in the partnership"
23 means all of a partner's interests in the partnership, including the
24 partner's transferable interest and all management and other rights.

25 15. "Person" means an individual, corporation, business trust, estate,
26 trust, partnership, association, joint venture, government, governmental
27 subdivision, agency or instrumentality or any other legal or commercial
28 entity.

29 16. "Property" means all property, real, personal or mixed, tangible or
30 intangible, or any interest in such property.

31 17. "State" means a state of the United States, the District of
32 Columbia, the Commonwealth of Puerto Rico or any territory or insular
33 possession subject to the jurisdiction of the United States.

34 18. "Statement" means a statement of partnership authority under
35 section 29-1023, a statement of denial under section 29-1024, a statement of
36 dissociation under section 29-1064, a statement of dissolution under section
37 29-1075, a statement of merger under section ~~29-1087~~ 29-2205, a statement of
38 qualification as a limited liability partnership under section 29-1101, a
39 statement of foreign qualification under section 29-1106 or an amendment or
40 cancellation of any of the foregoing.

41 19. "Transfer" includes an assignment, conveyance, lease, mortgage,
42 deed and encumbrance.

1 Sec. 59. Heading change

2 The article heading of title 29, chapter 5, article 9, Arizona Revised
3 Statutes, is changed from "CONVERSIONS AND MERGERS" to "MERGERS AND OTHER
4 RESTRUCTURING TRANSACTIONS".

5 Sec. 60. Repeal

6 Sections 29-1082, 29-1083, 29-1084 and 29-1085, Arizona Revised
7 Statutes, are repealed.

8 Sec. 61. Title 29, chapter 5, article 9, Arizona Revised Statutes, is
9 amended by adding section 29-1081 and new sections 29-1082 and 29-1083, to
10 read:

11 29-1081. Definitions

12 A. IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

13 1. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION,
14 DOMESTICATION OR DIVISION, AS APPLICABLE.

15 2. "TRANSACTION" MEANS A MERGER, AN INTEREST EXCHANGE, A CONVERSION, A
16 DOMESTICATION OR A DIVISION, AS APPLICABLE.

17 B. EXCEPT FOR TERMS DEFINED IN SECTION 29-1001 OR UNLESS THE CONTEXT
18 OTHERWISE REQUIRES, TERMS USED IN THIS ARTICLE HAVE THE SAME MEANINGS
19 PRESCRIBED IN CHAPTER 6 OF THIS TITLE.

20 29-1082. Entity restructuring transactions

21 A. IF A PLAN IS APPROVED AS PROVIDED BY SECTION 29-1083, A PARTNERSHIP
22 MAY BE A PARTY TO OR OTHERWISE UNDERTAKE A TRANSACTION BY ADOPTING A PLAN AND
23 OTHERWISE COMPLYING WITH THIS ARTICLE AND:

24 1. CHAPTER 6, ARTICLE 2 OF THIS TITLE FOR A MERGER.

25 2. CHAPTER 6, ARTICLE 3 OF THIS TITLE FOR AN INTEREST EXCHANGE.

26 3. CHAPTER 6, ARTICLE 4 OF THIS TITLE FOR A CONVERSION.

27 4. CHAPTER 6, ARTICLE 5 OF THIS TITLE FOR A DOMESTICATION.

28 5. CHAPTER 6, ARTICLE 6 OF THIS TITLE FOR A DIVISION.

29 B. THE EFFECTIVE TIME AND DATE OF THE TRANSACTION ARE AS PROVIDED IN
30 CHAPTER 6 OF THIS TITLE. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE, THE
31 PROCEDURES REGARDING THE EFFECT OF AND ALL OTHER ASPECTS OF THE TRANSACTION
32 ARE GOVERNED BY CHAPTER 6 OF THIS TITLE.

33 C. THIS SECTION DOES NOT LIMIT THE POWER OF A PARTNERSHIP TO ACQUIRE
34 ALL OR PART OF THE INTERESTS OF ANOTHER ENTITY THROUGH A VOLUNTARY EXCHANGE
35 OR OTHERWISE.

36 29-1083. Action on plan

37 THE PLAN MUST BE APPROVED BY ALL OF THE PARTNERS OR A NUMBER OR
38 PERCENTAGE SPECIFIED FOR THE TRANSACTION IN THE PARTNERSHIP AGREEMENT.

39 Sec. 62. Section 29-1086, Arizona Revised Statutes, is amended to
40 read:

41 29-1086. Effect of transaction; definition

42 ~~A. When a merger takes effect:~~

43 ~~1. The separate existence of every partnership, limited partnership or~~
44 ~~other business entity that is a party to the merger, other than the surviving~~
45 ~~entity, ceases.~~

~~2. All property owned by each of the merged partnerships, limited partnerships or other business entities vests in the surviving entity.~~

~~3. All obligations of every partnership, limited partnership or other business entity that is a party to the merger become the obligations of the surviving entity.~~

~~4. An action or proceeding pending against a partnership, a limited partnership or any other business entity that is a party to the merger may be continued as if the merger had not occurred, or the surviving entity may be substituted as a party to the action or proceeding.~~

~~B. If the surviving entity is a foreign partnership or limited partnership, at any time during which the surviving entity fails to maintain an agent for service of process as required by the law of this state, the secretary of state is the agent for service of process in an action or proceeding against a surviving foreign partnership or limited partnership to enforce an obligation of a domestic partnership, domestic limited partnership or any other domestic business entity that is a party to a merger. Until the surviving foreign partnership or limited partnership appoints an agent for service of process as required by the law of this state, it shall promptly notify the secretary of state of its chief executive office and of any change of address. On receipt of process, the secretary of state shall mail a copy of the process to the surviving foreign partnership or limited partnership.~~

~~C. A. If the surviving POST-TRANSACTION entity is a DOMESTIC partnership or limited partnership, a partner of the surviving partnership or limited partnership POST-TRANSACTION ENTITY is liable for:~~

~~1. All obligations of AN ENTITY THAT IS a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION for which the partner was personally liable before the merger TRANSACTION.~~

~~2. All other obligations of the surviving POST-TRANSACTION entity incurred before the merger TRANSACTION by AN ENTITY THAT IS a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION, but those obligations may be satisfied only out of property of the POST-TRANSACTION entity.~~

~~3. All obligations of the surviving entity incurred after the merger takes effect, but those obligations may be satisfied only out of property of the entity if the partner is a limited partner.~~

~~D. B. If the obligations incurred before the merger TRANSACTION by a DOMESTIC partnership or a limited partnership that is a party to OR OTHERWISE UNDERTAKES the merger TRANSACTION are not to be satisfied out of the property of the surviving POST-TRANSACTION entity pursuant to the plan of merger, the general partners of that party PARTNERSHIP immediately before the effective date of the merger TRANSACTION shall contribute the amount necessary to satisfy that party's PARTNERSHIP'S obligations to the surviving POST-TRANSACTION entity, in the manner provided in section 29-1077 or in the limited partnership act of the jurisdiction in which the party was formed, as the case may be, as if the merged party THAT PARTNERSHIP were dissolved.~~

E. C. A partner of a DOMESTIC partnership ~~or limited partnership~~ that is a party to OR OTHERWISE UNDERTAKES a merger TRANSACTION who does not become a partner or any other owner INTEREST HOLDER of the surviving POST-TRANSACTION entity is dissociated from the partnership ~~or limited partnership~~, of which that partner was a partner, as of the date the merger TRANSACTION takes effect. The surviving POST-TRANSACTION entity shall cause the partner's interest in the merged partnership ~~or limited partnership~~ to be purchased under section 29-1061 or another statute specifically applicable to that partner's interest with respect to a merger TRANSACTION. The surviving POST-TRANSACTION entity is bound under section 29-1062 by an act of a general partner dissociated under this subsection, and the partner is liable under section 29-1063 for transactions entered into by the surviving POST-TRANSACTION entity after the merger TRANSACTION takes effect.

D. FOR THE PURPOSES OF THIS SECTION, "POST-TRANSACTION ENTITY" MEANS ANY OF THE FOLLOWING, AS APPLICABLE:

1. THE SURVIVING ENTITY IN A MERGER.
2. THE CONVERTED ENTITY IN A CONVERSION.
3. THE DOMESTICATED ENTITY IN A DOMESTICATION.
4. EACH RESULTING ENTITY IN A DIVISION, JOINTLY AND SEVERALLY.

Sec. 63. Repeal

Sections 29-1087 and 29-1088, Arizona Revised Statutes, are repealed.

Sec. 64. Title 29, Arizona Revised Statutes, is amended by adding chapter 6, to read:

CHAPTER 6

ARIZONA ENTITY RESTRUCTURING ACT

ARTICLE 1. GENERAL PROVISIONS

29-2101. Short title

THIS CHAPTER MAY BE CITED AS THE "ARIZONA ENTITY RESTRUCTURING ACT".

29-2102. Definitions

IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "ACQUIRED ENTITY" MEANS AN ENTITY IN WHICH ALL OF ONE OR MORE CLASSES OR SERIES OF INTERESTS ARE ACQUIRED IN AN INTEREST EXCHANGE.
2. "ACQUIRING ENTITY" MEANS THE ENTITY THAT ACQUIRES ALL OF ONE OR MORE CLASSES OR SERIES OF INTERESTS OF THE ACQUIRED ENTITY IN AN INTEREST EXCHANGE.
3. "APPROPRIATE FILING AUTHORITY" MEANS:
 - (a) WITH RESPECT TO CORPORATIONS, BUSINESS TRUSTS AND LIMITED LIABILITY COMPANIES, THE COMMISSION.
 - (b) WITH RESPECT TO LIMITED PARTNERSHIPS AND LIMITED LIABILITY PARTNERSHIPS, THE SECRETARY OF STATE.
4. "APPROVE" MEANS, IN THE CASE OF AN ENTITY, THAT ITS GOVERNORS AND INTEREST HOLDERS TAKE WHATEVER STEPS ARE NECESSARY UNDER ITS ORGANIZATIONAL DOCUMENTS, GOVERNING STATUTE AND OTHER LAW TO DO ALL OF THE FOLLOWING:
 - (a) PROPOSE A TRANSACTION SUBJECT TO THIS CHAPTER.
 - (b) ADOPT AND APPROVE THE TERMS AND CONDITIONS OF THE TRANSACTION.

1 (c) CONDUCT ANY REQUIRED PROCEEDINGS OR OTHERWISE OBTAIN ANY REQUIRED
2 VOTES OR CONSENTS OF THE GOVERNORS OR INTEREST HOLDERS.

3 5. "BUSINESS CORPORATION" MEANS A BUSINESS CORPORATION, A CLOSE
4 CORPORATION, A PROFESSIONAL CORPORATION, A BUSINESS DEVELOPMENT CORPORATION
5 AND A BENEFIT CORPORATION.

6 6. "COMMISSION" MEANS THE ARIZONA CORPORATION COMMISSION.

7 7. "CONVERSION" MEANS A TRANSACTION AUTHORIZED BY ARTICLE 4 OF THIS
8 CHAPTER.

9 8. "CONVERTED ENTITY" MEANS THE CONVERTING ENTITY AS IT CONTINUES IN
10 EXISTENCE AFTER A CONVERSION.

11 9. "CONVERTING ENTITY" MEANS THE DOMESTIC ENTITY THAT APPROVES A PLAN
12 OF CONVERSION PURSUANT TO SECTION 29-2403 OR THE FOREIGN ENTITY THAT APPROVES
13 A CONVERSION PURSUANT TO THE LAW OF ITS JURISDICTION OF ORGANIZATION.

14 10. "CORPORATION" MEANS A BUSINESS CORPORATION OR A NONPROFIT
15 CORPORATION.

16 11. "DIVIDING ENTITY" MEANS THE DOMESTIC ENTITY THAT APPROVES A PLAN OF
17 DIVISION PURSUANT TO SECTION 29-2603 OR THE FOREIGN ENTITY THAT APPROVES A
18 DIVISION PURSUANT TO THE LAW OF ITS JURISDICTION OF ORGANIZATION. A DIVIDING
19 ENTITY IS ALSO A RESULTING ENTITY IF THE DIVIDING ENTITY SURVIVES THE
20 DIVISION.

21 12. "DIVISION" MEANS A TRANSACTION AUTHORIZED BY ARTICLE 6 OF THIS
22 CHAPTER.

23 13. "DOMESTIC ENTITY" MEANS AN ENTITY WHOSE INTERNAL AFFAIRS ARE
24 GOVERNED BY THE LAWS OF THIS STATE.

25 14. "DOMESTICATED ENTITY" MEANS THE DOMESTICATING ENTITY AS IT
26 CONTINUES IN EXISTENCE AFTER A DOMESTICATION.

27 15. "DOMESTICATING ENTITY" MEANS THE DOMESTIC ENTITY THAT APPROVES A
28 PLAN OF DOMESTICATION PURSUANT TO SECTION 29-2503 OR THE FOREIGN ENTITY THAT
29 APPROVES A DOMESTICATION PURSUANT TO THE LAW OF ITS JURISDICTION OF
30 ORGANIZATION.

31 16. "DOMESTICATION" MEANS A TRANSACTION AUTHORIZED BY ARTICLE 5 OF THIS
32 CHAPTER.

33 17. "ENTITY" MEANS ANY OF THE FOLLOWING:

34 (a) A CORPORATION.

35 (b) A GENERAL PARTNERSHIP, INCLUDING A GENERAL PARTNERSHIP THAT HAS
36 REGISTERED AS A LIMITED LIABILITY PARTNERSHIP.

37 (c) A LIMITED PARTNERSHIP, INCLUDING A LIMITED PARTNERSHIP THAT HAS
38 REGISTERED AS A LIMITED LIABILITY LIMITED PARTNERSHIP.

39 (d) A LIMITED LIABILITY COMPANY, INCLUDING A PROFESSIONAL LIMITED
40 LIABILITY COMPANY.

41 (e) A BUSINESS TRUST, STATUTORY TRUST ENTITY OR SIMILAR TRUST.

42 (f) AN UNINCORPORATED ASSOCIATION.

43 (g) A COOPERATIVE.

1 (h) ANY OTHER PERSON THAT HAS A SEPARATE LEGAL EXISTENCE OR HAS THE
2 POWER TO ACQUIRE AN INTEREST IN REAL PROPERTY IN ITS OWN NAME OTHER THAN ANY
3 OF THE FOLLOWING:

4 (i) AN INDIVIDUAL.

5 (ii) A TESTAMENTARY, INTER VIVOS OR CHARITABLE TRUST, WITH THE
6 EXCEPTION OF A BUSINESS TRUST, STATUTORY TRUST ENTITY OR SIMILAR TRUST.

7 (iii) A DECEDENT'S ESTATE.

8 (iv) A GOVERNMENT, A GOVERNMENTAL OR POLITICAL SUBDIVISION, A
9 GOVERNMENTAL AGENCY OR ENTITY OR A MUNICIPAL CORPORATION.

10 18. "FILING ENTITY" MEANS AN ENTITY THAT IS CREATED BY THE FILING OF A
11 PUBLIC ORGANIZATIONAL DOCUMENT.

12 19. "FOREIGN ENTITY" MEANS AN ENTITY OTHER THAN A DOMESTIC ENTITY.

13 20. "GOOD FAITH" MEANS HONESTY IN FACT IN THE CONDUCT OR TRANSACTION
14 CONCERNED.

15 21. "GOVERNANCE INTEREST" MEANS THE RIGHT UNDER THE GOVERNING STATUTE
16 OR ORGANIZATIONAL DOCUMENTS OF AN ENTITY, OTHER THAN AS A GOVERNOR, AGENT,
17 ASSIGNEE OR PROXY, TO DO ANY OF THE FOLLOWING:

18 (a) RECEIVE OR DEMAND ACCESS TO INFORMATION CONCERNING, OR THE BOOKS
19 AND RECORDS OF, THE ENTITY.

20 (b) VOTE FOR THE ELECTION OF THE GOVERNORS OF THE ENTITY.

21 (c) RECEIVE NOTICE OF, OR VOTE ON, ANY OR ALL ISSUES OR MATTERS
22 INVOLVING THE INTERNAL AFFAIRS OF THE ENTITY.

23 22. "GOVERNING STATUTE" MEANS, COLLECTIVELY, THE STATUTE OR STATUTES
24 GOVERNING THE INTERNAL AFFAIRS OF AN ENTITY.

25 23. "GOVERNOR" MEANS A PERSON BY OR UNDER WHOSE AUTHORITY THE POWERS OF
26 AN ENTITY ARE EXERCISED AND UNDER WHOSE DIRECTION THE BUSINESS AND AFFAIRS OF
27 THE ENTITY ARE MANAGED PURSUANT TO THE GOVERNING STATUTE AND ORGANIZATIONAL
28 DOCUMENTS OF THE ENTITY.

29 24. "INTEREST" MEANS A GOVERNANCE INTEREST OR A TRANSFERABLE INTEREST,
30 INCLUDING A SHARE OR MEMBERSHIP IN A CORPORATION.

31 25. "INTEREST EXCHANGE" MEANS A TRANSACTION AUTHORIZED BY ARTICLE 3 OF
32 THIS CHAPTER.

33 26. "INTEREST HOLDER" MEANS A DIRECT HOLDER OF AN INTEREST.

34 27. "INTEREST HOLDER LIABILITY" MEANS:

35 (a) PERSONAL LIABILITY FOR AN OBLIGATION OF AN ENTITY THAT IS IMPOSED
36 ON A PERSON EITHER:

37 (i) SOLELY BY REASON OF THE STATUS OF THE PERSON AS AN INTEREST
38 HOLDER.

39 (ii) BY THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY PURSUANT TO A
40 PROVISION OF THE GOVERNING STATUTE AUTHORIZING THE ORGANIZATIONAL DOCUMENTS
41 TO MAKE ONE OR MORE SPECIFIED INTEREST HOLDERS OR CATEGORIES OF INTEREST
42 HOLDERS LIABLE IN THEIR CAPACITY AS INTEREST HOLDERS FOR ALL OR SPECIFIED
43 OBLIGATIONS OF THE ENTITY.

44 (b) AN OBLIGATION OF AN INTEREST HOLDER UNDER THE ORGANIZATIONAL
45 DOCUMENTS OF AN ENTITY TO CONTRIBUTE TO THE ENTITY.

28. "JURISDICTION OF ORGANIZATION" MEANS THE JURISDICTION WHOSE LAW INCLUDES THE GOVERNING STATUTE OF THE ENTITY.

29. "MERGER" MEANS A TRANSACTION AUTHORIZED BY ARTICLE 2 OF THIS CHAPTER.

30. "MERGING ENTITY" MEANS AN ENTITY THAT IS A PARTY TO A MERGER AND THAT EXISTS IMMEDIATELY BEFORE THE MERGER BECOMES EFFECTIVE.

31. "NONPROFIT CORPORATION" MEANS A NONPROFIT CORPORATION, A COOPERATIVE MARKETING ASSOCIATION, AN ELECTRIC COOPERATIVE NONPROFIT MEMBERSHIP CORPORATION, A NONPROFIT ELECTRIC GENERATION AND TRANSMISSION COOPERATIVE CORPORATION, A FRATERNAL OR BENEVOLENT SOCIETY OR A CORPORATION SOLE.

32. "OBLIGATION" MEANS A DEBT, LOSS OR LIABILITY OR ANY OTHER OBLIGATION ARISING IN ANY MANNER, REGARDLESS OF WHETHER IT IS SECURED, CONTINGENT OR LIQUIDATED.

33. "ORGANIZATIONAL DOCUMENTS" MEANS THE PUBLIC ORGANIZATIONAL DOCUMENT AND PRIVATE ORGANIZATIONAL DOCUMENTS OF AN ENTITY.

34. "ORGANIZE" MEANS TO INCORPORATE, FORM, CREATE OR OTHERWISE ORGANIZE.

35. "PERSON" MEANS AN INDIVIDUAL, A CORPORATION, AN ESTATE, A TRUST, A PARTNERSHIP, A LIMITED LIABILITY COMPANY, A BUSINESS OR SIMILAR TRUST, AN ASSOCIATION, A JOINT VENTURE, A PUBLIC CORPORATION, A GOVERNMENT, A GOVERNMENTAL SUBDIVISION, AGENCY OR INSTRUMENTALITY OR ANY OTHER LEGAL OR COMMERCIAL ENTITY.

36. "PLAN" MEANS A PLAN OF MERGER, INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION.

37. "PRIVATE ORGANIZATIONAL DOCUMENTS" MEAN THE CURRENTLY ADOPTED OR EFFECTIVE RULES, WHETHER OR NOT IN A RECORD, THAT GOVERN THE INTERNAL AFFAIRS OF AN ENTITY, THAT ARE BINDING ON ALL OF ITS INTEREST HOLDERS AND THAT ARE NOT PART OF THE ENTITY'S PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY.

38. "PROTECTED AGREEMENT" MEANS ANY OF THE FOLLOWING:

(a) A RECORD EVIDENCING INDEBTEDNESS AND ANY RELATED AGREEMENT IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION.

(b) AN AGREEMENT THAT IS BINDING ON AN ENTITY ON THE EFFECTIVE DATE OF THIS SECTION.

(c) THE ORGANIZATIONAL DOCUMENTS OF AN ENTITY IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION.

(d) AN AGREEMENT THAT IS BINDING ON ANY OF THE GOVERNORS OR INTEREST HOLDERS OF AN ENTITY ON THE EFFECTIVE DATE OF THIS SECTION.

39. "PUBLIC ORGANIZATIONAL DOCUMENT":

(a) MEANS THE PUBLIC RECORD THAT IS FILED TO ORGANIZE AN ENTITY, OR THE MOST RECENT RESTATEMENT OF THAT RECORD, TOGETHER WITH ANY AMENDMENTS TO THAT RECORD OR RESTATEMENT OF THAT RECORD.

(b) DOES NOT INCLUDE A STATEMENT OF QUALIFICATION FILED BY A PARTNERSHIP OR LIMITED PARTNERSHIP PURSUANT TO SECTION 29-1101 IN CONNECTION WITH ITS STATUS AS A LIMITED LIABILITY PARTNERSHIP.

40. "QUALIFIED FOREIGN ENTITY" MEANS A FOREIGN ENTITY THAT IS AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE PURSUANT TO A FILING WITH THE APPROPRIATE FILING AUTHORITY.

41. "RECORD" MEANS INFORMATION THAT IS INSCRIBED ON A TANGIBLE MEDIUM OR THAT IS STORED IN AN ELECTRONIC OR OTHER MEDIUM AND IS RETRIEVABLE IN PERCEIVABLE FORM.

42. "RESULTING ENTITY":

(a) MEANS AN ENTITY THAT CONTINUES IN EXISTENCE AFTER, OR THAT IS ORGANIZED AS A RESULT OF, A DIVISION.

(b) INCLUDES A DIVIDING ENTITY IF THE DIVIDING ENTITY SURVIVES THE DIVISION.

43. "SIGN" MEANS TO DO EITHER OF THE FOLLOWING WITH PRESENT INTENT TO AUTHENTICATE OR ADOPT A RECORD:

(a) EXECUTE OR ADOPT A TANGIBLE SYMBOL.

(b) ATTACH TO OR LOGICALLY ASSOCIATE WITH THE RECORD AN ELECTRONIC SOUND, SYMBOL OR PROCESS.

44. "SURVIVING ENTITY" MEANS THE ENTITY THAT CONTINUES IN EXISTENCE AFTER, OR THAT IS ORGANIZED AS A RESULT OF, A MERGER.

45. "TRANSFERABLE INTEREST" MEANS THE RIGHT UNDER AN ENTITY'S GOVERNING STATUTE TO RECEIVE DISTRIBUTIONS FROM THE ENTITY.

46. "TYPE" MEANS, WITH REGARD TO AN ENTITY, THE GENERIC FORM OF THAT ENTITY, SUCH AS LISTED IN PARAGRAPH 17 OF THIS SECTION.

29-2103. Relationship to other laws

A. UNLESS DISPLACED BY PARTICULAR PROVISIONS OF THIS CHAPTER, THE PRINCIPLES OF LAW AND EQUITY SUPPLEMENT THIS CHAPTER.

B. EXCEPT AS SPECIFICALLY PROVIDED IN THIS CHAPTER, THIS CHAPTER DOES NOT AFFECT THE APPLICATION OR REQUIREMENTS OF LAW OTHER THAN THIS CHAPTER.

C. A TRANSACTION EFFECTED UNDER THIS CHAPTER MAY NOT CREATE OR IMPAIR ANY RIGHT OR OBLIGATION ON THE PART OF A PERSON UNDER A PROVISION OF THE LAWS OF THIS STATE OTHER THAN THIS CHAPTER RELATING TO A CHANGE IN CONTROL, TAKEOVER, BUSINESS COMBINATION, CONTROL SHARE ACQUISITION OR SIMILAR TRANSACTION INVOLVING A DOMESTIC MERGING, ACQUIRED, CONVERTING, DOMESTICATING OR DIVIDING CORPORATION UNLESS EITHER:

1. IF THE CORPORATION DOES NOT SURVIVE THE TRANSACTION, THE TRANSACTION SATISFIES ANY REQUIREMENTS OF THE PROVISION.

2. IF THE CORPORATION SURVIVES THE TRANSACTION, THE APPROVAL OF THE PLAN RELATING TO THE TRANSACTION IS BY A VOTE OF THE SHAREHOLDERS OR DIRECTORS THAT IS SUFFICIENT TO CREATE OR IMPAIR THE RIGHT OR OBLIGATION DIRECTLY UNDER THE PROVISION.

29-2104. Required notice or approval

A. A DOMESTIC OR FOREIGN ENTITY THAT IS REQUIRED TO GIVE NOTICE TO, OR OBTAIN THE APPROVAL OF, A GOVERNMENTAL AGENCY OR OFFICER IN ORDER TO BE A PARTY TO A MERGER MUST GIVE THE NOTICE OR OBTAIN THE APPROVAL IN ORDER TO BE A PARTY TO AN INTEREST EXCHANGE, CONVERSION, DOMESTICATION OR DIVISION, UNLESS THE LAW PERTAINING TO THE NOTICE OR APPROVAL PROVIDES OTHERWISE.

1 B. PROPERTY HELD FOR A CHARITABLE PURPOSE UNDER THE LAWS OF THIS STATE
 2 BY A DOMESTIC OR FOREIGN ENTITY IMMEDIATELY BEFORE A TRANSACTION EFFECTED
 3 UNDER THIS CHAPTER BECOMES EFFECTIVE MAY NOT, AS A RESULT OF THE TRANSACTION,
 4 BE DIVERTED FROM THE OBJECTS FOR WHICH IT WAS DONATED, GRANTED OR DEPOSED
 5 UNLESS, TO THE EXTENT REQUIRED BY OR PURSUANT TO THE LAWS OF THIS STATE
 6 CONCERNING CY PRES OR OTHER LAWS DEALING WITH NONDIVERSION OF CHARITABLE
 7 ASSETS, THE ENTITY OBTAINS AN APPROPRIATE ORDER OF A COURT OF COMPETENT
 8 JURISDICTION SPECIFYING THE DISPOSITION OF THE PROPERTY.

9 29-2105. Status of filings; matters regarding filing

10 A. A FILING UNDER THIS CHAPTER THAT IS SIGNED BY A DOMESTIC ENTITY
 11 BECOMES PART OF THE PUBLIC ORGANIZATIONAL DOCUMENT OF THE ENTITY IF THE
 12 ENTITY'S GOVERNING STATUTE PROVIDES THAT SIMILAR FILINGS UNDER THE GOVERNING
 13 STATUTE BECOME PART OF THE PUBLIC ORGANIZATIONAL DOCUMENT OF THE ENTITY.

14 B. EXCEPT AS OTHERWISE PROVIDED IN THIS CHAPTER, MATTERS REGARDING THE
 15 FILING OF DOCUMENTS PURSUANT TO THIS CHAPTER WITH THE APPROPRIATE FILING
 16 AUTHORITY, INCLUDING DELIVERY FOR FILING, EFFECTIVE DATES AND CORRECTIONS,
 17 ARE GOVERNED BY:

18 1. TITLE 10, CHAPTER 1, ARTICLE 2 FOR BUSINESS CORPORATIONS OR
 19 BUSINESS TRUSTS.

20 2. TITLE 10, CHAPTER 24, ARTICLE 2 FOR NONPROFIT CORPORATIONS.

21 3. CHAPTER 4, ARTICLE 2 OF THIS TITLE FOR LIMITED LIABILITY COMPANIES.

22 4. CHAPTER 3, ARTICLE 2 OF THIS TITLE FOR LIMITED PARTNERSHIPS.

23 29-2106. Nonexclusivity

24 THE FACT THAT A TRANSACTION UNDER THIS CHAPTER PRODUCES A CERTAIN
 25 RESULT DOES NOT PRECLUDE THE SAME RESULT FROM BEING ACCOMPLISHED IN ANY OTHER
 26 MANNER PERMITTED BY THE LAWS OF THIS STATE OTHER THAN THIS CHAPTER.

27 29-2107. Reference to external facts

28 A PLAN MAY REFER TO FACTS THAT ARE ASCERTAINABLE OUTSIDE OF THE PLAN IF
 29 THE MANNER IN WHICH THE FACTS WILL OPERATE ON THE PLAN IS SPECIFIED IN THE
 30 PLAN. THE FACTS MAY INCLUDE THE OCCURRENCE OF AN EVENT OR A DETERMINATION OR
 31 ACTION BY A PERSON, WHETHER OR NOT THE EVENT, DETERMINATION OR ACTION IS
 32 WITHIN THE CONTROL OF A PARTY TO THE TRANSACTION.

33 29-2108. Alternative means of approval of transactions

34 EXCEPT AS OTHERWISE PROVIDED IN THE GOVERNING STATUTE OR ORGANIZATIONAL
 35 DOCUMENTS OF A DOMESTIC ENTITY, APPROVAL OF A TRANSACTION UNDER THIS CHAPTER
 36 BY THE UNANIMOUS VOTE OR CONSENT OF ITS INTEREST HOLDERS SATISFIES THE
 37 REQUIREMENTS OF THIS CHAPTER FOR APPROVAL.

38 29-2109. Appraisal rights

39 A. UNLESS THE ENTITY'S GOVERNING STATUTE PROVIDES OTHERWISE, AN
 40 INTEREST HOLDER OF A DOMESTIC MERGING, ACQUIRED, CONVERTING, DOMESTICATING OR
 41 DIVIDING ENTITY IS ENTITLED TO APPRAISAL RIGHTS IN CONNECTION WITH THE
 42 TRANSACTION IF THE INTEREST HOLDER WOULD HAVE BEEN ENTITLED TO APPRAISAL
 43 RIGHTS UNDER THE ENTITY'S GOVERNING STATUTE IN CONNECTION WITH A MERGER IN
 44 WHICH THE INTEREST OF THE INTEREST HOLDER WAS CHANGED, CONVERTED OR EXCHANGED
 45 UNLESS BOTH:

1 1. THE GOVERNING STATUTE PERMITS THE ORGANIZATIONAL DOCUMENTS TO LIMIT
2 THE AVAILABILITY OF APPRAISAL RIGHTS.

3 2. THE ORGANIZATIONAL DOCUMENTS PROVIDE SUCH A LIMIT.

4 B. AN INTEREST HOLDER OF A DOMESTIC MERGING, ACQUIRED, CONVERTING,
5 DOMESTICATING OR DIVIDING ENTITY IS ENTITLED TO CONTRACTUAL APPRAISAL RIGHTS
6 IN CONNECTION WITH A TRANSACTION UNDER THIS CHAPTER TO THE EXTENT PROVIDED BY
7 ANY OF THE FOLLOWING:

8 1. THE ENTITY'S ORGANIZATIONAL DOCUMENTS.

9 2. THE ENTITY'S PLAN.

10 3. ACTION OF THE ENTITY'S GOVERNORS.

11 C. IF AN INTEREST HOLDER IS ENTITLED TO CONTRACTUAL APPRAISAL RIGHTS
12 UNDER SUBSECTION B OF THIS SECTION AND THE ENTITY'S GOVERNING STATUTE DOES
13 NOT PROVIDE PROCEDURES FOR THE CONDUCT OF AN APPRAISAL RIGHTS PROCEEDING,
14 TITLE 10, CHAPTER 13 APPLIES TO THE EXTENT PRACTICABLE OR AS OTHERWISE
15 PROVIDED IN THE ENTITY'S ORGANIZATIONAL DOCUMENTS OR THE PLAN.

16 29-2110. Recording of statements

17 AFTER APPROVAL FOR FILING BY THE APPROPRIATE FILING AUTHORITY, A
18 CERTIFIED COPY OF A STATEMENT OF MERGER UNDER SECTION 29-2205, A STATEMENT OF
19 INTEREST EXCHANGE UNDER SECTION 29-2305, A STATEMENT OF CONVERSION UNDER
20 SECTION 29-2405, A STATEMENT OF DOMESTICATION UNDER SECTION 29-2505 OR A
21 STATEMENT OF DIVISION UNDER SECTION 29-2605 MAY BE RECORDED WITH THE COUNTY
22 RECORDER IN ANY COUNTY. THE RECORDER IS AUTHORIZED TO ACCEPT THE STATEMENT.
23 AN AFFIDAVIT OF VALUE IS NOT NECESSARY. THE RECORDER SHALL INDEX THE
24 STATEMENT IN THE SAME MANNER AS OTHER RECORDINGS. ON RECORDATION, THE
25 STATEMENT IS PRIMA FACIE EVIDENCE OF ANY TRANSFER OF ANY REAL PROPERTY THAT
26 OCCURS ON THE EFFECTIVENESS OF THE TRANSACTIONS DESCRIBED IN THE STATEMENT.
27 THE STATEMENT MAY BE ACCOMPANIED BY INSTRUCTIONS TO THE ASSESSOR TO TRANSMIT
28 TAX BILLINGS FOR ANY REAL PROPERTY AFFECTED BY THE STATEMENT TO A SPECIFIED
29 RECIPIENT.

30 ARTICLE 2. MERGER

31 29-2201. Merger authorized

32 A. BY COMPLYING WITH THIS ARTICLE, ONE OR MORE DOMESTIC ENTITIES MAY
33 MERGE WITH ONE OR MORE DOMESTIC OR FOREIGN ENTITIES.

34 B. A FOREIGN ENTITY MAY BE A MERGING ENTITY IN A MERGER UNDER THIS
35 ARTICLE OR MAY BE THE SURVIVING ENTITY IN SUCH A MERGER IF THE MERGER IS
36 AUTHORIZED BY THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

37 29-2202. Plan of merger

38 A. A DOMESTIC ENTITY MAY BECOME A MERGING ENTITY IN A MERGER UNDER
39 THIS ARTICLE BY APPROVING A PLAN OF MERGER. THE PLAN MUST BE IN A RECORD AND
40 CONTAIN:

41 1. AS TO EACH MERGING ENTITY, ITS NAME, ITS JURISDICTION OF
42 ORGANIZATION AND ITS TYPE.

43 2. IF THE SURVIVING ENTITY IS ONE OF THE MERGING ENTITIES, ITS NAME,
44 ITS JURISDICTION OF ORGANIZATION AND ITS TYPE.

3. IF THE SURVIVING ENTITY IS TO BE ORGANIZED AS A RESULT OF THE MERGER, A STATEMENT TO THAT EFFECT AND ITS NAME, ITS JURISDICTION OF ORGANIZATION AND ITS TYPE.

4. THE MANNER OF CONVERTING THE INTERESTS IN EACH MERGING ENTITY INTO INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.

5. IF THE SURVIVING ENTITY IS A FILING ENTITY AND IS ONE OF THE MERGING ENTITIES, ANY PROPOSED AMENDMENTS TO ITS PUBLIC ORGANIZATIONAL DOCUMENT.

6. IF THE SURVIVING ENTITY IS ONE OF THE MERGING ENTITIES, ANY PROPOSED AMENDMENTS TO ITS PRIVATE ORGANIZATIONAL DOCUMENTS THAT ARE IN A RECORD.

7. IF THE SURVIVING ENTITY IS TO BE ORGANIZED AS A RESULT OF THE MERGER, ITS PROPOSED PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, AND THE FULL TEXT OF ITS PRIVATE ORGANIZATIONAL RULES THAT ARE PROPOSED TO BE IN A RECORD.

8. THE OTHER TERMS AND CONDITIONS OF THE MERGER, IF ANY.

9. ANY OTHER PROVISIONS REQUIRED BY THE LAW OF A MERGING ENTITY'S JURISDICTION OF ORGANIZATION OR THE ORGANIZATIONAL DOCUMENTS OF A MERGING ENTITY.

B. A PLAN OF MERGER MAY CONTAIN ANY OTHER PROVISIONS NOT PROHIBITED BY LAW.

29-2203. Approval of merger

A. A PLAN OF MERGER IS NOT EFFECTIVE UNLESS IT HAS BEEN APPROVED BOTH:

1. BY A DOMESTIC MERGING ENTITY:

(a) IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A MERGER.

(b) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF A MERGER, THEN BY ALL OF THE INTEREST HOLDERS OF THE ENTITY ENTITLED TO VOTE ON OR CONSENT TO ANY MATTER OR, IF THERE ARE NO SUCH INTEREST HOLDERS, THEN BY ALL OF THE GOVERNORS OF THE ENTITY.

2. IN A RECORD BY EACH INTEREST HOLDER OF A DOMESTIC MERGING ENTITY THAT WILL HAVE INTEREST HOLDER LIABILITY FOR OBLIGATIONS THAT ARISE AFTER THE MERGER BECOMES EFFECTIVE, UNLESS BOTH:

(a) THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY EXPRESSLY PROVIDE IN A RECORD FOR THE APPROVAL OF A MERGER IN WHICH SOME OR ALL OF ITS INTEREST HOLDERS BECOME SUBJECT TO INTEREST HOLDER LIABILITY BY THE VOTE OR CONSENT OF FEWER THAN ALL OF THE INTEREST HOLDERS.

(b) THE INTEREST HOLDER VOTED FOR OR CONSENTED IN A RECORD TO THAT PROVISION OF THE ORGANIZATIONAL DOCUMENTS OR BECAME AN INTEREST HOLDER AFTER THE ADOPTION OF THAT PROVISION.

B. A MERGER INVOLVING A FOREIGN MERGING ENTITY IS NOT EFFECTIVE UNLESS IT IS APPROVED BY THE FOREIGN ENTITY IN ACCORDANCE WITH THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

29-2204. Amendment or abandonment of plan of merger

A. A PLAN OF MERGER OF A DOMESTIC MERGING ENTITY MAY BE AMENDED EITHER:

1. IN THE SAME MANNER AS THE PLAN WAS APPROVED IF THE PLAN DOES NOT PROVIDE FOR THE MANNER IN WHICH IT MAY BE AMENDED.

2. BY THE GOVERNORS OR INTEREST HOLDERS OF THE ENTITY IN THE MANNER PROVIDED IN THE PLAN EXCEPT THAT AN INTEREST HOLDER THAT WAS ENTITLED TO VOTE ON OR CONSENT TO APPROVAL OF THE MERGER IS ENTITLED TO VOTE ON OR CONSENT TO ANY AMENDMENT OF THE PLAN THAT WILL CHANGE ANY OF THE FOLLOWING:

(a) THE AMOUNT OR KIND OF INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING, TO BE RECEIVED BY ANY OF THE INTEREST HOLDERS OF THE MERGING ENTITIES UNDER THE PLAN.

(b) THE PUBLIC ORGANIZATIONAL DOCUMENT OR PRIVATE ORGANIZATIONAL DOCUMENTS OF THE SURVIVING ENTITY THAT WILL BE IN EFFECT IMMEDIATELY AFTER THE MERGER BECOMES EFFECTIVE, EXCEPT FOR CHANGES THAT DO NOT REQUIRE APPROVAL OF THE INTEREST HOLDERS OF THE SURVIVING ENTITY UNDER ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS.

(c) ANY OTHER TERMS OR CONDITIONS OF THE PLAN, IF THE CHANGE WOULD ADVERSELY AFFECT THE INTEREST HOLDER IN ANY MATERIAL RESPECT.

B. AFTER A PLAN OF MERGER HAS BEEN APPROVED BY A DOMESTIC MERGING ENTITY AND BEFORE A STATEMENT OF MERGER BECOMES EFFECTIVE PURSUANT TO SECTION 29-2205, THE PLAN MAY BE ABANDONED BY THE DOMESTIC MERGING ENTITY, SUBJECT TO ANY CONTRACTUAL RIGHTS AS FOLLOWS:

1. AS PROVIDED IN THE PLAN.

2. IF NOT PROVIDED IN THE PLAN, EITHER:

(a) BY THE GOVERNORS OF THE DOMESTIC MERGING ENTITY, UNLESS PROHIBITED BY THE PLAN.

(b) IN THE SAME MANNER AS THE PLAN WAS APPROVED.

C. IF A STATEMENT OF MERGER HAS BEEN DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY, THE PLAN OF MERGER MAY BE ABANDONED ONLY IF THE STATEMENT OF MERGER SETS FORTH A DELAYED EFFECTIVE DATE UNDER SECTION 29-2205, SUBSECTION B, PARAGRAPH 4. SUCH A PLAN OF MERGER MAY BE ABANDONED BY DELIVERING FOR FILING WITH THE APPROPRIATE FILING AUTHORITY ON OR BEFORE THE DELAYED EFFECTIVE DATE A STATEMENT OF ABANDONMENT, SIGNED ON BEHALF OF EACH MERGING ENTITY. A STATEMENT OF ABANDONMENT TAKES EFFECT ON DELIVERY FOR FILING, AND THE MERGER IS ABANDONED AND DOES NOT BECOME EFFECTIVE. THE STATEMENT OF ABANDONMENT MUST CONTAIN ALL OF THE FOLLOWING:

1. THE NAME OF EACH MERGING OR SURVIVING ENTITY THAT IS A DOMESTIC ENTITY OR A QUALIFIED FOREIGN ENTITY.

2. THE DATE ON WHICH THE STATEMENT OF MERGER WAS FILED.

3. A STATEMENT THAT THE MERGER HAS BEEN ABANDONED IN ACCORDANCE WITH THIS SECTION.

1 29-2205. Statement of merger: effective date

2 A. A STATEMENT OF MERGER MUST BE SIGNED ON BEHALF OF EACH MERGING
3 ENTITY. THE STATEMENT OF MERGER MUST BE DELIVERED FOR FILING:

4 1. IN THE CASE OF A DOMESTIC SURVIVING ENTITY CREATED BY THE MERGER,
5 WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC SURVIVING
6 ENTITY AND, IF THERE IS A DIFFERENT FILING AUTHORITY FOR ANY DOMESTIC MERGING
7 ENTITY, WITH THE DIFFERENT FILING AUTHORITY.

8 2. FOR A DOMESTIC MERGING ENTITY, WITH THE APPROPRIATE FILING
9 AUTHORITY, IF ANY, AND IF THERE IS A DIFFERENT FILING AUTHORITY FOR ANY OTHER
10 DOMESTIC MERGING ENTITY, WITH THE DIFFERENT FILING AUTHORITY.

11 B. A STATEMENT OF MERGER MUST CONTAIN EACH OF THE FOLLOWING, IF
12 APPLICABLE:

13 1. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF EACH MERGING
14 ENTITY THAT IS NOT THE SURVIVING ENTITY.

15 2. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE SURVIVING
16 ENTITY.

17 3. IF THE SURVIVING ENTITY IS A DOMESTIC FILING ENTITY OR IS A
18 QUALIFIED FOREIGN ENTITY, BOTH OF THE FOLLOWING:

19 (a) THE STREET ADDRESS OF THE SURVIVING ENTITY'S KNOWN PLACE OF
20 BUSINESS IN THIS STATE OR, IF THE SURVIVING ENTITY IS A DOMESTIC LIMITED
21 PARTNERSHIP, THE STREET ADDRESS OF ITS OFFICE IN THIS STATE.

22 (b) THE NAME AND STREET ADDRESS OF THE SURVIVING ENTITY'S AGENT FOR
23 SERVICE OF PROCESS IN THIS STATE. IF A NEW STATUTORY AGENT IS BEING
24 APPOINTED, THE STATUTORY AGENT MUST SIGN A STATEMENT ACCEPTING THE
25 APPOINTMENT, WHICH MUST BE ATTACHED TO THE STATEMENT OF MERGER.

26 4. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE MERGER:

27 (a) IF THE SURVIVING ENTITY OR AT LEAST ONE MERGING ENTITY IS A
28 DOMESTIC FILING ENTITY AND IF THE STATEMENT OF MERGER IS NOT TO BE EFFECTIVE
29 ON DELIVERY TO THE APPROPRIATE FILING AUTHORITY, THE LATER DATE AND TIME ON
30 WHICH IT WILL BECOME EFFECTIVE, WHICH SHALL NOT BE MORE THAN NINETY DAYS
31 AFTER THE DATE OF ITS DELIVERY TO THE APPROPRIATE FILING AUTHORITY.

32 (b) IF NEITHER THE SURVIVING ENTITY NOR ANY MERGING ENTITY IS A
33 DOMESTIC FILING ENTITY AND IF THE STATEMENT OF MERGER IS NOT TO BE EFFECTIVE
34 ON THE SIGNING OF THE STATEMENT OF MERGER, THE LATER DATE AND TIME ON WHICH
35 IT WILL BECOME EFFECTIVE.

36 5. A STATEMENT THAT THE MERGER WAS APPROVED BY EACH DOMESTIC MERGING
37 ENTITY, IF ANY, IN ACCORDANCE WITH THIS ARTICLE AND BY EACH FOREIGN MERGING
38 ENTITY, IF ANY, IN ACCORDANCE WITH THE LAW OF ITS JURISDICTION OF
39 ORGANIZATION.

40 6. IF THE SURVIVING ENTITY EXISTS BEFORE THE MERGER AND IS A DOMESTIC
41 FILING ENTITY, ANY AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT APPROVED
42 AS PART OF THE PLAN OF MERGER, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED
43 TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

44 7. IF THE SURVIVING ENTITY IS CREATED BY THE MERGER AND IS A DOMESTIC
45 FILING ENTITY, ITS PUBLIC ORGANIZATIONAL DOCUMENT, AS AN ATTACHMENT, AND THE

ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

8. IF THE SURVIVING ENTITY IS A FOREIGN ENTITY THAT IS REQUIRED TO BE A QUALIFIED FOREIGN ENTITY, ANY DOCUMENTS THAT LAWS IN THIS STATE REQUIRE IT TO FILE TO BECOME A QUALIFIED FOREIGN ENTITY, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

9. IF THE SURVIVING ENTITY IS A FOREIGN ENTITY THAT IS NOT REQUIRED TO BE A QUALIFIED FOREIGN ENTITY, A MAILING ADDRESS TO WHICH THE APPROPRIATE FILING AUTHORITY MAY SEND ANY PROCESS SERVED ON THE APPROPRIATE FILING AUTHORITY PURSUANT TO SECTION 29-2206, SUBSECTION E.

10. IF THE SURVIVING ENTITY IS CREATED BY THE MERGER AND IS A DOMESTIC LIMITED LIABILITY PARTNERSHIP, ITS STATEMENT OF QUALIFICATION, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, A STATEMENT OF MERGER MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY LAW.

D. IF THE SURVIVING ENTITY IS A DOMESTIC FILING ENTITY, THE AMENDMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 6 OF THIS SECTION OR ITS PUBLIC ORGANIZATIONAL DOCUMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 7 OF THIS SECTION:

1. MUST SATISFY THE REQUIREMENTS OF THE LAWS OF THIS STATE.
2. IS DEEMED TO BE SIGNED BY MEANS OF THE SIGNING OF THE STATEMENT OF MERGER.

3. MAY OMIT ANY PROVISION THAT IS NOT REQUIRED TO BE INCLUDED IN A RESTATEMENT OF THE PUBLIC ORGANIZATIONAL DOCUMENT.

E. WITH RESPECT TO A PLAN OF MERGER THAT IS SIGNED ON BEHALF OF ALL OF THE MERGING ENTITIES AND THAT MEETS ALL OF THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION:

1. IF THE SURVIVING ENTITY OR AT LEAST ONE MERGING ENTITY IS A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN MAY BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY INSTEAD OF A STATEMENT OF MERGER AND, ON FILING, HAS THE SAME EFFECT AS A STATEMENT OF MERGER, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF MERGER REFER TO THE PLAN OF MERGER FILED UNDER THIS SUBSECTION.

2. IF NEITHER THE SURVIVING ENTITY NOR ANY MERGING ENTITY IS A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN HAS THE SAME EFFECT AS A STATEMENT OF MERGER, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF MERGER REFER TO THE PLAN OF MERGER.

F. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE MERGER:

1. IF THE SURVIVING ENTITY OR AT LEAST ONE MERGING ENTITY IS A DOMESTIC FILING ENTITY, ONCE A STATEMENT OF MERGER HAS BEEN APPROVED FOR FILING BY THE APPROPRIATE FILING AUTHORITY OR AUTHORITIES, BOTH THE STATEMENT OF MERGER AND THE MERGER ARE DEEMED TO HAVE BECOME EFFECTIVE ON THE DATE AND TIME OF THE DELIVERY OF THE STATEMENT OF MERGER FOR FILING WITH THE

1 APPROPRIATE FILING AUTHORITY OR AUTHORITIES OR, IF APPLICABLE, THE LATER DATE
2 AND TIME SPECIFIED IN THE STATEMENT OF MERGER.

3 2. IF NEITHER THE SURVIVING ENTITY NOR ANY MERGING ENTITY IS A
4 DOMESTIC FILING ENTITY, BOTH THE STATEMENT OF MERGER AND THE MERGER ARE
5 EFFECTIVE ON THE SIGNING OF THE STATEMENT OF MERGER OR, IF APPLICABLE, THE
6 LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF MERGER.

7 29-2206. Effect of merger

8 A. WHEN A MERGER BECOMES EFFECTIVE:

9 1. THE SURVIVING ENTITY CONTINUES OR COMES INTO EXISTENCE.

10 2. EACH MERGING ENTITY THAT IS NOT THE SURVIVING ENTITY MERGES INTO
11 THE SURVIVING ENTITY AND CEASES TO EXIST AS A SEPARATE ENTITY.

12 3. ALL PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND POWERS,
13 OF EACH MERGING ENTITY AUTOMATICALLY VESTS IN THE SURVIVING ENTITY WITHOUT
14 ASSIGNMENT, REVERSION OR IMPAIRMENT.

15 4. ALL OBLIGATIONS OF EACH MERGING ENTITY ARE AUTOMATICALLY
16 OBLIGATIONS OF THE SURVIVING ENTITY WITHOUT ASSIGNMENT, ASSUMPTION OR
17 DELEGATION.

18 5. IF THE SURVIVING ENTITY EXISTS BEFORE THE MERGER:

19 (a) ALL OF ITS PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND
20 POWERS, REMAINS VESTED IN THE SURVIVING ENTITY WITHOUT ASSIGNMENT, REVERSION
21 OR IMPAIRMENT.

22 (b) IT REMAINS SUBJECT TO ALL OF ITS OBLIGATIONS.

23 6. ANY PENDING ACTION OR PROCEEDING INVOLVING ANY MERGING ENTITY
24 CONTINUES AND THE NAME OF THE SURVIVING ENTITY MAY BE SUBSTITUTED FOR THE
25 NAME OF ANY MERGING ENTITY.

26 7. IF THE SURVIVING ENTITY EXISTS BEFORE THE MERGER:

27 (a) THE PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, IS AMENDED IF AND TO
28 THE EXTENT PROVIDED IN THE STATEMENT OF MERGER.

29 (b) ITS PRIVATE ORGANIZATIONAL DOCUMENTS THAT ARE TO BE IN A RECORD,
30 IF ANY, ARE AMENDED IF AND TO THE EXTENT PROVIDED IN THE PLAN OF MERGER.

31 8. THE INTERESTS IN EACH MERGING ENTITY THAT ARE TO BE CONVERTED IN
32 THE MERGER ARE CONVERTED, AND THE INTEREST HOLDERS OF THOSE INTERESTS ARE
33 ENTITLED ONLY TO THE RIGHTS PROVIDED TO THEM UNDER THE PLAN OF MERGER AND TO
34 ANY APPRAISAL RIGHTS THEY HAVE UNDER SECTION 29-2109 AND THE MERGING ENTITY'S
35 GOVERNING STATUTE.

36 B. EXCEPT AS PROVIDED IN THE PLAN OF MERGER OR IN THE GOVERNING
37 STATUTE OR ORGANIZATIONAL DOCUMENTS OF A MERGING ENTITY, THE MERGER DOES NOT
38 GIVE RISE TO ANY RIGHTS THAT AN INTEREST HOLDER, GOVERNOR OR THIRD PARTY
39 WOULD OTHERWISE HAVE ON A DISSOLUTION, LIQUIDATION OR WINDING UP OF THE
40 MERGING ENTITY.

41 C. WHEN A MERGER BECOMES EFFECTIVE, A PERSON THAT DID NOT HAVE
42 INTEREST HOLDER LIABILITY WITH RESPECT TO ANY OF THE MERGING ENTITIES AND
43 THAT BECOMES SUBJECT TO INTEREST HOLDER LIABILITY WITH RESPECT TO THE
44 DOMESTIC SURVIVING ENTITY AS A RESULT OF THE MERGER HAS INTEREST HOLDER
45 LIABILITY ONLY TO THE EXTENT PROVIDED BY THE GOVERNING STATUTE OR

1 ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC SURVIVING ENTITY, AND THEN ONLY FOR
2 THOSE OBLIGATIONS THAT ARISE AFTER THE MERGER BECOMES EFFECTIVE.

3 D. WHEN A MERGER BECOMES EFFECTIVE, THE INTEREST HOLDER LIABILITY OF A
4 PERSON THAT CEASES TO HOLD AN INTEREST IN A DOMESTIC MERGING ENTITY WITH
5 RESPECT TO WHICH THE PERSON HAD INTEREST HOLDER LIABILITY IS AS FOLLOWS:

6 1. THE MERGER DOES NOT DISCHARGE ANY INTEREST HOLDER LIABILITY UNDER
7 THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC MERGING
8 ENTITY TO THE EXTENT THE INTEREST HOLDER LIABILITY AROSE BEFORE THE MERGER
9 BECAME EFFECTIVE.

10 2. THE PERSON DOES NOT HAVE INTEREST HOLDER LIABILITY UNDER THE
11 GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC MERGING ENTITY
12 FOR ANY OBLIGATION THAT ARISES AFTER THE MERGER BECOMES EFFECTIVE.

13 3. THE GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC
14 MERGING ENTITY CONTINUE TO APPLY TO THE RELEASE, COLLECTION OR DISCHARGE OF
15 ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION
16 AS IF THE MERGER HAD NOT OCCURRED.

17 4. THE PERSON HAS THE SAME RIGHTS OF CONTRIBUTION FROM ANY OTHER
18 PERSON AS ARE PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS
19 OF THE DOMESTIC MERGING ENTITY WITH RESPECT TO ANY INTEREST HOLDER LIABILITY
20 PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE MERGER HAD NOT
21 OCCURRED.

22 E. WHEN A MERGER BECOMES EFFECTIVE, A FOREIGN ENTITY THAT IS THE
23 SURVIVING ENTITY:

24 1. MAY BE SERVED WITH PROCESS IN THIS STATE FOR THE COLLECTION AND
25 ENFORCEMENT OF ANY OBLIGATIONS OF A DOMESTIC MERGING ENTITY, INCLUDING
26 OBLIGATIONS ARISING OUT OF THE EXERCISE OF APPRAISAL RIGHTS.

27 2. IF IT IS NOT A QUALIFIED FOREIGN ENTITY, APPOINTS THE APPROPRIATE
28 FILING AUTHORITY AS ITS AGENT FOR SERVICE OF PROCESS FOR COLLECTING OR
29 ENFORCING THOSE OBLIGATIONS.

30 F. WHEN A MERGER BECOMES EFFECTIVE, THE AUTHORITY, REGISTRATION OR
31 OTHER QUALIFICATION GRANTED BY THE APPROPRIATE FILING AUTHORITY TO TRANSACT
32 BUSINESS OR CONDUCT AFFAIRS IN THIS STATE OF ANY FOREIGN MERGING ENTITY THAT
33 IS NOT THE SURVIVING ENTITY IS AUTOMATICALLY REVOKED OR CANCELED.

34 29-2207. Ineffectiveness of merger due to law of foreign
35 jurisdiction

36 A. IF A STATEMENT OF MERGER IS FILED WITH THE APPROPRIATE FILING
37 AUTHORITY AND THE MERGER IS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN
38 JURISDICTION AS REQUIRED BY SECTION 29-2201, SUBSECTION B, THE MERGER IS
39 INEFFECTIVE. A STATEMENT OF INEFFECTIVENESS OF MERGER MUST BE SIGNED ON
40 BEHALF OF EACH ENTITY ON BEHALF OF WHICH THE STATEMENT OF MERGER WAS SIGNED
41 AND MUST BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY TO
42 REFLECT THAT INEFFECTIVENESS IN THE PUBLIC RECORD.

43 B. THE STATEMENT OF INEFFECTIVENESS OF MERGER MUST CONTAIN EACH OF THE
44 FOLLOWING, IF APPLICABLE:

45 1. THE NAME OF EACH ENTITY THAT ATTEMPTED THE MERGER.

1 2. THE DATE ON WHICH THE STATEMENT OF MERGER WAS FILED.
2 3. A STATEMENT THAT THE MERGER WAS INEFFECTIVE BECAUSE IT WAS NOT
3 AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION.
4 4. IF ANOTHER ENTITY HAS ADOPTED THE NAME OF AN ENTITY THAT ATTEMPTED
5 THE MERGER OR IF ANOTHER PERSON HAS ADOPTED AS A TRADE NAME THE NAME OF THAT
6 ENTITY, THE ENTITY THAT ATTEMPTED THE MERGER MUST CHANGE ITS NAME BY
7 ATTACHING AN AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT. THE AMENDMENT
8 MUST CHANGE THE NAME OF THE ENTITY IN ACCORDANCE WITH THE NAMING REQUIREMENTS
9 OF ITS GOVERNING STATUTE AND, IF ATTACHED, IS DEEMED TO BE DELIVERED TO THE
10 APPROPRIATE FILING AUTHORITY FOR FILING.
11 C. THE ENTITIES THAT ATTEMPTED THE MERGER ARE BOTH:
12 1. RESPONSIBLE TO ANY OTHER PERSON FOR ANY OBLIGATION INCURRED BY THAT
13 PERSON THAT ARISES OUT OF OR RELATES TO THE INEFFECTIVENESS OF THE ATTEMPTED
14 MERGER UNLESS THE ENTITIES ESTABLISH THAT THE OBLIGATION WAS NOT INCURRED IN
15 GOOD FAITH.
16 2. DEEMED TO HAVE APPOINTED THE APPROPRIATE FILING AUTHORITY AS THE
17 AGENT OF EACH ENTITY FOR SERVICE OF PROCESS FOR ANY ACTION ARISING UNDER THIS
18 SECTION UNLESS THE ENTITY IS A DOMESTIC ENTITY OR A QUALIFIED FOREIGN ENTITY.
19 D. IF THEY WERE ACTING IN GOOD FAITH, THE ENTITIES THAT ATTEMPTED THE
20 MERGER AND THEIR RESPECTIVE INTEREST HOLDERS, GOVERNORS OR OTHER
21 REPRESENTATIVES ARE NOT CIVILLY OR CRIMINALLY LIABLE AND MAY NOT BE FOUND
22 GUILTY IN CONNECTION WITH AN INEFFECTIVE MERGER UNDER ANY LAWS OF THIS STATE
23 PERTAINING TO:
24 1. THE FILING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
25 DOCUMENT.
26 2. THE MAKING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
27 STATEMENT.
28 3. ANY SIMILAR MATTER.
29 ARTICLE 3. INTEREST EXCHANGE
30 29-2301. Interest exchange authorized
31 A. BY COMPLYING WITH THIS ARTICLE:
32 1. A DOMESTIC ENTITY MAY ACQUIRE ALL OF ONE OR MORE CLASSES, SERIES OR
33 GROUPS OF INTERESTS OF ANOTHER DOMESTIC OR FOREIGN ENTITY IN EXCHANGE FOR
34 INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR
35 SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.
36 2. ALL OF ONE OR MORE CLASSES, SERIES OR GROUPS OF INTERESTS OF A
37 DOMESTIC ENTITY MAY BE ACQUIRED BY ANOTHER DOMESTIC OR FOREIGN ENTITY IN
38 EXCHANGE FOR INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS
39 OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.
40 B. A FOREIGN ENTITY MAY BE AN ACQUIRING OR ACQUIRED ENTITY IN AN
41 INTEREST EXCHANGE UNDER THIS ARTICLE IF THE INTEREST EXCHANGE IS AUTHORIZED
42 BY THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.
43 C. IF A PROTECTED AGREEMENT CONTAINS A PROVISION THAT APPLIES TO A
44 MERGER OF A DOMESTIC ENTITY BUT DOES NOT REFER TO AN INTEREST EXCHANGE, THE
45 PROVISION APPLIES TO AN INTEREST EXCHANGE IN WHICH THE DOMESTIC ENTITY IS THE

ACQUIRED ENTITY AS IF THE INTEREST EXCHANGE WERE A MERGER UNTIL THE AGREEMENT IS AMENDED AFTER THE EFFECTIVE DATE OF THIS SECTION.

29-2302. Plan of interest exchange

A. A DOMESTIC ENTITY MAY BE THE ACQUIRED ENTITY IN AN INTEREST EXCHANGE UNDER THIS ARTICLE BY APPROVING A PLAN OF INTEREST EXCHANGE. THE PLAN MUST BE IN A RECORD AND CONTAIN ALL OF THE FOLLOWING:

1. THE NAME AND TYPE OF THE ACQUIRED ENTITY.
2. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE ACQUIRING ENTITY.

3. THE MANNER OF CONVERTING THE INTERESTS IN THE ACQUIRED ENTITY INTO INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.

4. IF THE ACQUIRED ENTITY IS A FILING ENTITY, ANY PROPOSED AMENDMENTS TO ITS PUBLIC ORGANIZATIONAL DOCUMENT.

5. ANY PROPOSED AMENDMENTS TO THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE ACQUIRED ENTITY THAT ARE IN A RECORD.

6. THE OTHER TERMS AND CONDITIONS OF THE INTEREST EXCHANGE, IF ANY.

7. ANY OTHER PROVISIONS REQUIRED BY THE LAWS OF THIS STATE OR THE ORGANIZATIONAL DOCUMENTS OF THE ACQUIRED ENTITY.

B. A PLAN OF INTEREST EXCHANGE MAY CONTAIN ANY OTHER PROVISIONS NOT PROHIBITED BY LAW.

29-2303. Approval of interest exchange

A. A PLAN OF INTEREST EXCHANGE IS NOT EFFECTIVE UNLESS IT HAS BEEN APPROVED BOTH:

1. BY A DOMESTIC ACQUIRED ENTITY:

(a) IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF AN INTEREST EXCHANGE.

(b) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION D OF THIS SECTION, IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF AN INTEREST EXCHANGE, IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A MERGER, AS IF THE INTEREST EXCHANGE WERE A MERGER.

(c) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF AN INTEREST EXCHANGE OR A MERGER, BY ALL OF THE INTEREST HOLDERS OF THE ENTITY ENTITLED TO VOTE ON OR CONSENT TO ANY MATTER OR, IF THERE ARE NO SUCH INTEREST HOLDERS, THEN BY ALL OF THE GOVERNORS OF THE ENTITY.

2. IN A RECORD BY EACH INTEREST HOLDER OF A DOMESTIC ACQUIRED ENTITY THAT WILL HAVE INTEREST HOLDER LIABILITY FOR OBLIGATIONS THAT ARISE AFTER THE INTEREST EXCHANGE BECOMES EFFECTIVE, UNLESS BOTH:

(a) THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY EXPRESSLY PROVIDE IN A RECORD FOR THE APPROVAL OF AN INTEREST EXCHANGE OR A MERGER IN WHICH SOME OR ALL OF ITS INTEREST HOLDERS BECOME SUBJECT TO INTEREST HOLDER LIABILITY BY THE VOTE OR CONSENT OF FEWER THAN ALL OF THE INTEREST HOLDERS.

(b) THE INTEREST HOLDER VOTED FOR OR CONSENTED IN A RECORD TO THAT PROVISION OF THE ORGANIZATIONAL DOCUMENTS OR BECAME AN INTEREST HOLDER AFTER THE ADOPTION OF THAT PROVISION.

B. AN INTEREST EXCHANGE INVOLVING A FOREIGN ACQUIRED ENTITY IS NOT EFFECTIVE UNLESS IT IS APPROVED BY THE FOREIGN ENTITY IN ACCORDANCE WITH THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

C. EXCEPT AS OTHERWISE PROVIDED IN ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS, THE INTEREST HOLDERS OF THE ACQUIRING ENTITY ARE NOT REQUIRED TO APPROVE THE INTEREST EXCHANGE.

D. A PROVISION OF THE GOVERNING STATUTE OF A DOMESTIC ACQUIRED ENTITY THAT WOULD PERMIT A MERGER BETWEEN THE ACQUIRED ENTITY AND THE ACQUIRING ENTITY TO BE APPROVED WITHOUT THE VOTE OR CONSENT OF THE INTEREST HOLDERS OF THE ACQUIRED ENTITY BECAUSE OF THE PERCENTAGE OF INTERESTS IN THE ACQUIRED ENTITY HELD BY THE ACQUIRING ENTITY DOES NOT APPLY TO APPROVAL OF AN INTEREST EXCHANGE UNDER SUBSECTION A, PARAGRAPH 1, SUBDIVISION (b) OF THIS SECTION.

29-2304. Amendment or abandonment of plan of interest exchange

A. A PLAN OF INTEREST EXCHANGE OF A DOMESTIC ACQUIRED ENTITY MAY BE AMENDED EITHER:

1. IN THE SAME MANNER AS THE PLAN WAS APPROVED IF THE PLAN DOES NOT PROVIDE FOR THE MANNER IN WHICH IT MAY BE AMENDED.

2. BY THE GOVERNORS OR INTEREST HOLDERS OF THE ENTITY IN THE MANNER PROVIDED IN THE PLAN, EXCEPT THAT AN INTEREST HOLDER THAT WAS ENTITLED TO VOTE ON OR CONSENT TO APPROVAL OF THE INTEREST EXCHANGE IS ENTITLED TO VOTE ON OR CONSENT TO ANY AMENDMENT OF THE PLAN THAT WILL CHANGE ANY OF THE FOLLOWING:

(a) THE AMOUNT OR KIND OF INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING, TO BE RECEIVED BY ANY OF THE INTEREST HOLDERS OF THE DOMESTIC ACQUIRED ENTITY UNDER THE PLAN.

(b) THE PUBLIC ORGANIZATIONAL DOCUMENT OR PRIVATE ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRED ENTITY THAT WILL BE IN EFFECT IMMEDIATELY AFTER THE INTEREST EXCHANGE BECOMES EFFECTIVE, EXCEPT FOR CHANGES THAT DO NOT REQUIRE APPROVAL OF THE INTEREST HOLDERS OF THE DOMESTIC ACQUIRED ENTITY UNDER ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS.

(c) ANY OTHER TERMS OR CONDITIONS OF THE PLAN, IF THE CHANGE WOULD ADVERSELY AFFECT THE INTEREST HOLDER IN ANY MATERIAL RESPECT.

B. AFTER A PLAN OF INTEREST EXCHANGE HAS BEEN APPROVED BY A DOMESTIC ACQUIRED ENTITY AND BEFORE A STATEMENT OF INTEREST EXCHANGE BECOMES EFFECTIVE PURSUANT TO SECTION 29-2305, THE PLAN MAY BE ABANDONED BY THE DOMESTIC ACQUIRED ENTITY, SUBJECT TO ANY CONTRACTUAL RIGHTS:

1. AS PROVIDED IN THE PLAN.

2. IF NOT PROVIDED IN THE PLAN, EITHER:

(a) BY THE GOVERNORS OF THE DOMESTIC ACQUIRED ENTITY, UNLESS PROHIBITED BY THE PLAN.

(b) IN THE SAME MANNER AS THE PLAN WAS APPROVED.

1 C. IF A STATEMENT OF INTEREST EXCHANGE HAS BEEN DELIVERED FOR FILING
 2 WITH THE APPROPRIATE FILING AUTHORITY, THE PLAN OF INTEREST EXCHANGE MAY BE
 3 ABANDONED ONLY IF THE STATEMENT OF INTEREST EXCHANGE SETS FORTH A DELAYED
 4 EFFECTIVE DATE UNDER SECTION 29-2305, SUBSECTION B, PARAGRAPH 3. A PLAN OF
 5 INTEREST EXCHANGE MAY BE ABANDONED BY DELIVERING FOR FILING WITH THE
 6 APPROPRIATE FILING AUTHORITY ON OR BEFORE THE DELAYED EFFECTIVE DATE A
 7 STATEMENT OF ABANDONMENT, SIGNED ON BEHALF OF THE DOMESTIC ACQUIRED ENTITY.
 8 A STATEMENT OF ABANDONMENT TAKES EFFECT ON DELIVERY FOR FILING, AND THE
 9 INTEREST EXCHANGE IS ABANDONED AND DOES NOT BECOME EFFECTIVE. THE STATEMENT
 10 OF ABANDONMENT MUST CONTAIN ALL OF THE FOLLOWING:

- 11 1. THE NAME OF THE DOMESTIC ACQUIRED ENTITY.
- 12 2. THE DATE ON WHICH THE STATEMENT OF INTEREST EXCHANGE WAS FILED.
- 13 3. A STATEMENT THAT THE INTEREST EXCHANGE HAS BEEN ABANDONED IN
 14 ACCORDANCE WITH THIS SECTION.

15 29-2305. Statement of interest exchange; effective date

16 A. A STATEMENT OF INTEREST EXCHANGE MUST BE SIGNED ON BEHALF OF A
 17 DOMESTIC ACQUIRED ENTITY. THE STATEMENT OF INTEREST EXCHANGE MUST BE
 18 DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE
 19 DOMESTIC ACQUIRED ENTITY.

20 B. A STATEMENT OF INTEREST EXCHANGE MUST CONTAIN EACH OF THE
 21 FOLLOWING, IF APPLICABLE:

- 22 1. THE NAME AND TYPE OF THE DOMESTIC ACQUIRED ENTITY.
- 23 2. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE ACQUIRING
 24 ENTITY.

25 3. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE INTEREST
 26 EXCHANGE:

27 (a) IF THE DOMESTIC ACQUIRED ENTITY IS A DOMESTIC FILING ENTITY AND IF
 28 THE STATEMENT OF INTEREST EXCHANGE IS NOT TO BE EFFECTIVE ON DELIVERY TO THE
 29 APPROPRIATE FILING AUTHORITY, THE LATER DATE AND TIME ON WHICH IT WILL BECOME
 30 EFFECTIVE, WHICH MAY NOT BE MORE THAN NINETY DAYS AFTER THE DATE OF ITS
 31 DELIVERY TO THE APPROPRIATE FILING AUTHORITY.

32 (b) IF THE DOMESTIC ACQUIRED ENTITY IS NOT A DOMESTIC FILING ENTITY
 33 AND IF THE STATEMENT OF INTEREST EXCHANGE IS NOT TO BE EFFECTIVE ON THE
 34 SIGNING OF THE STATEMENT OF INTEREST EXCHANGE, THE LATER DATE AND TIME ON
 35 WHICH IT WILL BECOME EFFECTIVE.

36 4. A STATEMENT THAT THE PLAN OF INTEREST EXCHANGE WAS APPROVED BY THE
 37 DOMESTIC ACQUIRED ENTITY IN ACCORDANCE WITH THIS ARTICLE.

38 5. ANY AMENDMENT TO THE DOMESTIC ACQUIRED ENTITY'S PUBLIC
 39 ORGANIZATIONAL DOCUMENT APPROVED AS PART OF THE PLAN OF INTEREST EXCHANGE, AS
 40 AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE DELIVERED TO THE
 41 APPROPRIATE FILING AUTHORITY FOR FILING.

42 C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, A
 43 STATEMENT OF INTEREST EXCHANGE MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED
 44 BY LAW.

D. ANY AMENDMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 5 OF THIS SECTION:

1. MUST SATISFY THE REQUIREMENTS OF THE LAWS OF THIS STATE.
2. IS DEEMED TO BE SIGNED BY MEANS OF THE SIGNING OF THE STATEMENT OF INTEREST EXCHANGE.
3. MAY OMIT ANY PROVISION THAT IS NOT REQUIRED TO BE INCLUDED IN A RESTATEMENT OF THE PUBLIC ORGANIZATIONAL DOCUMENT OF THE DOMESTIC ACQUIRED ENTITY.

E. WITH RESPECT TO A PLAN OF INTEREST EXCHANGE THAT IS SIGNED ON BEHALF OF A DOMESTIC ACQUIRED ENTITY AND THAT MEETS ALL OF THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION:

1. IF THE DOMESTIC ACQUIRED ENTITY IS A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN MAY BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY INSTEAD OF A STATEMENT OF INTEREST EXCHANGE AND, ON FILING, HAS THE SAME EFFECT AS A STATEMENT OF INTEREST EXCHANGE, IN WHICH CASE, ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF INTEREST EXCHANGE REFER TO THE PLAN OF INTEREST EXCHANGE FILED UNDER THIS SUBSECTION.
2. IF THE DOMESTIC ACQUIRED ENTITY IS NOT A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN HAS THE SAME EFFECT AS A STATEMENT OF INTEREST EXCHANGE, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF INTEREST EXCHANGE REFER TO THE PLAN OF INTEREST EXCHANGE.

F. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE INTEREST EXCHANGE:

1. IF THE DOMESTIC ACQUIRED ENTITY IS A DOMESTIC FILING ENTITY, ONCE A STATEMENT OF INTEREST EXCHANGE HAS BEEN APPROVED FOR FILING BY THE APPROPRIATE FILING AUTHORITY, BOTH THE INTEREST EXCHANGE AND THE STATEMENT OF INTEREST EXCHANGE ARE DEEMED TO HAVE BECOME EFFECTIVE ON THE DATE AND TIME OF THE DELIVERY OF THE STATEMENT OF INTEREST EXCHANGE FOR FILING WITH THE APPROPRIATE FILING AUTHORITY OR, IF APPLICABLE, ON THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF INTEREST EXCHANGE.
2. IF THE DOMESTIC ACQUIRED ENTITY IS NOT A DOMESTIC FILING ENTITY, BOTH THE INTEREST EXCHANGE AND THE STATEMENT OF INTEREST EXCHANGE ARE EFFECTIVE ON THE SIGNING OF THE STATEMENT OF INTEREST EXCHANGE OR, IF APPLICABLE, THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF INTEREST EXCHANGE.

29-2306. Effect of interest exchange

A. WHEN AN INTEREST EXCHANGE BECOMES EFFECTIVE:

1. THE INTERESTS IN THE ACQUIRED ENTITY THAT ARE THE SUBJECT OF THE INTEREST EXCHANGE CEASE TO EXIST OR ARE CONVERTED OR EXCHANGED AS PROVIDED IN THE PLAN OF INTEREST EXCHANGE AND THE INTEREST HOLDERS OF THOSE INTERESTS ARE ENTITLED ONLY TO THE RIGHTS PROVIDED TO THEM UNDER THE PLAN OF INTEREST EXCHANGE AND TO ANY APPRAISAL RIGHTS THEY HAVE UNDER SECTION 29-2109 AND THE ACQUIRED ENTITY'S GOVERNING STATUTE.
2. THE ACQUIRING ENTITY BECOMES THE INTEREST HOLDER OF THE INTERESTS IN THE ACQUIRED ENTITY AS PROVIDED IN THE PLAN OF INTEREST EXCHANGE.

3. THE PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, OF THE ACQUIRED ENTITY IS AMENDED IF AND TO THE EXTENT PROVIDED IN THE STATEMENT OF INTEREST EXCHANGE.

4. THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE ACQUIRED ENTITY THAT ARE TO BE IN A RECORD, IF ANY, ARE AMENDED IF AND TO THE EXTENT PROVIDED IN THE PLAN OF INTEREST EXCHANGE.

B. EXCEPT AS PROVIDED IN THE PLAN OF INTEREST EXCHANGE OR IN THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE ACQUIRED ENTITY, THE INTEREST EXCHANGE DOES NOT GIVE RISE TO ANY RIGHTS THAT AN INTEREST HOLDER, GOVERNOR OR THIRD PARTY WOULD OTHERWISE HAVE ON A DISSOLUTION, LIQUIDATION OR WINDING UP OF THE ACQUIRED ENTITY.

C. WHEN AN INTEREST EXCHANGE BECOMES EFFECTIVE, A PERSON THAT DID NOT HAVE INTEREST HOLDER LIABILITY WITH RESPECT TO THE ACQUIRED ENTITY AND THAT BECOMES SUBJECT TO INTEREST HOLDER LIABILITY WITH RESPECT TO THE DOMESTIC ACQUIRING ENTITY AS A RESULT OF THE INTEREST EXCHANGE HAS INTEREST HOLDER LIABILITY ONLY TO THE EXTENT PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRING ENTITY, AND THEN ONLY FOR THOSE OBLIGATIONS THAT ARISE AFTER THE INTEREST EXCHANGE BECOMES EFFECTIVE.

D. WHEN AN INTEREST EXCHANGE BECOMES EFFECTIVE, THE INTEREST HOLDER LIABILITY OF A PERSON THAT CEASES TO HOLD AN INTEREST IN A DOMESTIC ACQUIRED ENTITY WITH RESPECT TO WHICH THE PERSON HAD INTEREST HOLDER LIABILITY IS AS FOLLOWS:

1. THE INTEREST EXCHANGE DOES NOT DISCHARGE ANY INTEREST HOLDER LIABILITY UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRED ENTITY TO THE EXTENT THAT THE INTEREST HOLDER LIABILITY AROSE BEFORE THE INTEREST EXCHANGE BECAME EFFECTIVE.

2. THE PERSON DOES NOT HAVE INTEREST HOLDER LIABILITY UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRED ENTITY FOR ANY OBLIGATION THAT ARISES AFTER THE INTEREST EXCHANGE BECOMES EFFECTIVE.

3. THE GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRED ENTITY CONTINUE TO APPLY TO THE RELEASE, COLLECTION OR DISCHARGE OF ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE INTEREST EXCHANGE HAD NOT OCCURRED.

4. THE PERSON HAS THE SAME RIGHTS OF CONTRIBUTION FROM ANY OTHER PERSON AS ARE PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC ACQUIRED ENTITY WITH RESPECT TO ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE INTEREST EXCHANGE HAD NOT OCCURRED.

29-2307. Ineffectiveness of interest exchange due to law of foreign jurisdiction

A. IF A STATEMENT OF INTEREST EXCHANGE IS FILED WITH THE APPROPRIATE FILING AUTHORITY AND THE INTEREST EXCHANGE IS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION AS REQUIRED BY SECTION 29-2301, SUBSECTION B, THE INTEREST EXCHANGE IS INEFFECTIVE. A STATEMENT OF INEFFECTIVENESS OF INTEREST EXCHANGE MUST BE SIGNED ON BEHALF OF THE DOMESTIC ACQUIRED ENTITY ON

BEHALF OF WHICH THE STATEMENT OF INTEREST EXCHANGE WAS SIGNED AND MUST BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY TO REFLECT THAT INEFFECTIVENESS IN THE PUBLIC RECORD.

B. THE STATEMENT OF INEFFECTIVENESS OF INTEREST EXCHANGE MUST CONTAIN EACH OF THE FOLLOWING:

1. THE NAME OF THE DOMESTIC ACQUIRED ENTITY THAT ATTEMPTED THE INTEREST EXCHANGE.

2. THE DATE ON WHICH THE STATEMENT OF INTEREST EXCHANGE WAS FILED.

3. A STATEMENT THAT THE INTEREST EXCHANGE WAS INEFFECTIVE BECAUSE IT WAS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION.

C. THE DOMESTIC ACQUIRED ENTITY THAT ATTEMPTED THE INTEREST EXCHANGE IS RESPONSIBLE TO ANY OTHER PERSON FOR ANY OBLIGATION INCURRED BY THAT PERSON THAT ARISES OUT OF OR RELATES TO THE INEFFECTIVENESS OF THE ATTEMPTED INTEREST EXCHANGE UNLESS THE ENTITY ESTABLISHES THAT THE OBLIGATION WAS NOT INCURRED IN GOOD FAITH.

D. IF THEY WERE ACTING IN GOOD FAITH, THE DOMESTIC ACQUIRED ENTITY THAT ATTEMPTED THE INTEREST EXCHANGE AND ITS INTEREST HOLDERS, GOVERNORS OR OTHER REPRESENTATIVES ARE NOT CIVILLY OR CRIMINALLY LIABLE AND MAY NOT BE FOUND GUILTY IN CONNECTION WITH AN INEFFECTIVE INTEREST EXCHANGE UNDER ANY LAW OF THIS STATE PERTAINING TO:

1. THE FILING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE DOCUMENT.

2. THE MAKING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE STATEMENT.

3. ANY SIMILAR MATTER.

ARTICLE 4. CONVERSION

29-2401. Conversion authorized

A. BY COMPLYING WITH THIS ARTICLE, A DOMESTIC ENTITY MAY BECOME EITHER OF THE FOLLOWING:

1. A DOMESTIC ENTITY OF A DIFFERENT TYPE.

2. A FOREIGN ENTITY OF A DIFFERENT TYPE IF THE CONVERSION IS AUTHORIZED BY THE LAW OF THE FOREIGN JURISDICTION.

B. A FOREIGN ENTITY MAY BECOME A DOMESTIC ENTITY OF A DIFFERENT TYPE UNDER THIS ARTICLE IF THE CONVERSION IS AUTHORIZED BY THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

C. IF A PROTECTED AGREEMENT CONTAINS A PROVISION THAT APPLIES TO A MERGER OF A DOMESTIC ENTITY BUT DOES NOT REFER TO A CONVERSION, THE PROVISION APPLIES TO A CONVERSION OF THE ENTITY AS IF THE CONVERSION WERE A MERGER UNTIL THE AGREEMENT IS AMENDED AFTER THE EFFECTIVE DATE OF THIS SECTION.

29-2402. Plan of conversion

A. A DOMESTIC ENTITY MAY CONVERT TO A DIFFERENT TYPE OF ENTITY UNDER THIS ARTICLE BY APPROVING A PLAN OF CONVERSION. THE PLAN MUST BE IN A RECORD AND CONTAIN ALL OF THE FOLLOWING:

1. THE NAME AND TYPE OF THE CONVERTING ENTITY.

2. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE CONVERTED ENTITY.

3. THE MANNER OF CONVERTING THE INTERESTS IN THE CONVERTING ENTITY INTO INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.

4. THE PROPOSED PUBLIC ORGANIZATIONAL DOCUMENT OF THE CONVERTED ENTITY, IF IT IS A FILING ENTITY.

5. THE FULL TEXT OF THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE CONVERTED ENTITY THAT ARE PROPOSED TO BE IN A RECORD.

6. THE OTHER TERMS AND CONDITIONS OF THE CONVERSION, IF ANY.

7. ANY OTHER PROVISION REQUIRED BY THE LAWS OF THIS STATE OR THE ORGANIZATIONAL DOCUMENTS OF THE CONVERTING ENTITY.

B. A PLAN OF CONVERSION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY LAW.

29-2403. Approval of conversion

A. A PLAN OF CONVERSION IS NOT EFFECTIVE UNLESS IT HAS BEEN APPROVED BOTH:

1. BY A DOMESTIC CONVERTING ENTITY:

(a) IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A CONVERSION.

(b) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF A CONVERSION, IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A MERGER BETWEEN UNAFFILIATED ENTITIES, AS IF THE CONVERSION WERE A MERGER.

(c) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF A CONVERSION OR A MERGER, BY ALL OF THE INTEREST HOLDERS OF THE ENTITY ENTITLED TO VOTE ON OR CONSENT TO ANY MATTER OR, IF THERE ARE NO SUCH INTEREST HOLDERS, THEN BY ALL OF THE GOVERNORS OF THE ENTITY.

2. IN A RECORD BY EACH INTEREST HOLDER OF A DOMESTIC CONVERTING ENTITY THAT WILL HAVE INTEREST HOLDER LIABILITY FOR OBLIGATIONS THAT ARISE AFTER THE CONVERSION BECOMES EFFECTIVE, UNLESS BOTH:

(a) THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY EXPRESSLY PROVIDE IN A RECORD FOR THE APPROVAL OF A CONVERSION OR A MERGER IN WHICH SOME OR ALL OF ITS INTEREST HOLDERS BECOME SUBJECT TO INTEREST HOLDER LIABILITY BY THE VOTE OR CONSENT OF FEWER THAN ALL OF THE INTEREST HOLDERS.

(b) THE INTEREST HOLDER VOTED FOR OR CONSENTED IN A RECORD TO THAT PROVISION OF THE ORGANIZATIONAL DOCUMENTS OR BECAME AN INTEREST HOLDER AFTER THE ADOPTION OF THAT PROVISION.

B. A CONVERSION OF A FOREIGN CONVERTING ENTITY IS NOT EFFECTIVE UNLESS IT IS APPROVED BY THE FOREIGN ENTITY IN ACCORDANCE WITH THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

29-2404. Amendment or abandonment of plan of conversion

A. A PLAN OF CONVERSION OF A DOMESTIC CONVERTING ENTITY MAY BE AMENDED EITHER:

1 1. IN THE SAME MANNER AS THE PLAN WAS APPROVED IF THE PLAN DOES NOT
2 PROVIDE FOR THE MANNER IN WHICH IT MAY BE AMENDED.

3 2. BY THE GOVERNORS OR INTEREST HOLDERS OF THE ENTITY IN THE MANNER
4 PROVIDED IN THE PLAN EXCEPT THAT AN INTEREST HOLDER THAT WAS ENTITLED TO VOTE
5 ON OR CONSENT TO APPROVAL OF THE CONVERSION IS ENTITLED TO VOTE ON OR CONSENT
6 TO ANY AMENDMENT OF THE PLAN THAT WILL CHANGE ANY OF THE FOLLOWING:

7 (a) THE AMOUNT OR KIND OF INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS
8 TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY, OR ANY
9 COMBINATION OF THE FOREGOING, TO BE RECEIVED BY ANY OF THE INTEREST HOLDERS
10 OF THE DOMESTIC CONVERTING ENTITY UNDER THE PLAN.

11 (b) THE PUBLIC ORGANIZATIONAL DOCUMENT OR PRIVATE ORGANIZATIONAL
12 DOCUMENTS OF THE DOMESTIC CONVERTED ENTITY THAT WILL BE IN EFFECT IMMEDIATELY
13 AFTER THE CONVERSION BECOMES EFFECTIVE, EXCEPT FOR CHANGES THAT DO NOT
14 REQUIRE APPROVAL OF THE INTEREST HOLDERS OF THE DOMESTICATED CONVERTED ENTITY
15 UNDER ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS.

16 (c) ANY OTHER TERMS OR CONDITIONS OF THE PLAN IF THE CHANGE WOULD
17 ADVERSELY AFFECT THE INTEREST HOLDER IN ANY MATERIAL RESPECT.

18 B. AFTER A PLAN OF CONVERSION HAS BEEN APPROVED BY A DOMESTIC
19 CONVERTING ENTITY AND BEFORE A STATEMENT OF CONVERSION BECOMES EFFECTIVE
20 PURSUANT TO SECTION 29-2405, THE PLAN MAY BE ABANDONED BY THE DOMESTIC
21 CONVERTING ENTITY, SUBJECT TO ANY CONTRACTUAL RIGHTS:

22 1. AS PROVIDED IN THE PLAN.

23 2. IF NOT PROVIDED IN THE PLAN, EITHER:

24 (a) BY THE GOVERNORS OF THE DOMESTIC CONVERTING ENTITY, UNLESS
25 PROHIBITED BY THE PLAN.

26 (b) IN THE SAME MANNER AS THE PLAN WAS APPROVED.

27 C. IF A STATEMENT OF CONVERSION HAS BEEN DELIVERED FOR FILING WITH THE
28 APPROPRIATE FILING AUTHORITY, THE PLAN OF CONVERSION MAY BE ABANDONED ONLY IF
29 THE STATEMENT OF CONVERSION SETS FORTH A DELAYED EFFECTIVE DATE UNDER SECTION
30 29-2405, SUBSECTION B, PARAGRAPH 3. A PLAN OF CONVERSION MAY BE ABANDONED BY
31 DELIVERING FOR FILING WITH THE APPROPRIATE FILING AUTHORITY ON OR BEFORE THE
32 DELAYED EFFECTIVE DATE A STATEMENT OF ABANDONMENT, SIGNED ON BEHALF OF THE
33 DOMESTIC CONVERTING ENTITY. A STATEMENT OF ABANDONMENT TAKES EFFECT ON
34 DELIVERY FOR FILING, AND THE CONVERSION IS ABANDONED AND DOES NOT BECOME
35 EFFECTIVE. THE STATEMENT OF ABANDONMENT MUST CONTAIN ALL OF THE FOLLOWING:

36 1. THE NAME OF THE DOMESTIC CONVERTING ENTITY.

37 2. THE DATE ON WHICH THE STATEMENT OF CONVERSION WAS FILED.

38 3. A STATEMENT THAT THE CONVERSION HAS BEEN ABANDONED IN ACCORDANCE
39 WITH THIS SECTION.

40 29-2405. Statement of conversion; effective date

41 A. A STATEMENT OF CONVERSION MUST BE SIGNED ON BEHALF OF THE
42 CONVERTING ENTITY. THE STATEMENT OF CONVERSION MUST BE DELIVERED FOR FILING:

43 1. IN THE CASE OF A DOMESTIC ENTITY CONVERTING INTO A DOMESTIC ENTITY
44 OF A DIFFERENT TYPE PURSUANT TO SECTION 29-2401, SUBSECTION A, PARAGRAPH 1,
45 WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC CONVERTING

1 ENTITY AND, IF THERE IS A DIFFERENT FILING AUTHORITY FOR THE DOMESTIC
2 CONVERTED ENTITY, WITH THE DIFFERENT FILING AUTHORITY.

3 2. IN THE CASE OF A DOMESTIC ENTITY CONVERTING INTO A FOREIGN ENTITY
4 OF A DIFFERENT TYPE PURSUANT TO SECTION 29-2401, SUBSECTION A, PARAGRAPH 2,
5 WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC CONVERTING
6 ENTITY.

7 3. IN THE CASE OF A FOREIGN ENTITY CONVERTING INTO A DOMESTIC ENTITY
8 OF A DIFFERENT TYPE PURSUANT TO SECTION 29-2401, SUBSECTION B, WITH THE
9 APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC CONVERTED ENTITY.

10 B. A STATEMENT OF CONVERSION MUST CONTAIN EACH OF THE FOLLOWING, IF
11 APPLICABLE:

12 1. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE CONVERTING
13 ENTITY.

14 2. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE CONVERTED
15 ENTITY.

16 3. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE CONVERSION:

17 (a) IF EITHER THE CONVERTING ENTITY OR THE CONVERTED ENTITY IS A
18 DOMESTIC FILING ENTITY, AND IF THE STATEMENT OF CONVERSION IS NOT TO BE
19 EFFECTIVE ON DELIVERY TO THE APPROPRIATE FILING AUTHORITY, THE LATER DATE AND
20 TIME ON WHICH IT WILL BECOME EFFECTIVE, WHICH MAY NOT BE MORE THAN NINETY
21 DAYS AFTER THE DATE OF ITS DELIVERY TO THE APPROPRIATE FILING AUTHORITY.

22 (b) IF NEITHER THE CONVERTING ENTITY NOR THE CONVERTED ENTITY IS A
23 DOMESTIC FILING ENTITY, AND IF THE STATEMENT OF CONVERSION IS NOT TO BE
24 EFFECTIVE ON THE SIGNING OF THE STATEMENT OF CONVERSION, THE LATER DATE AND
25 TIME ON WHICH IT WILL BECOME EFFECTIVE.

26 4. IF THE CONVERTING ENTITY IS A DOMESTIC ENTITY, A STATEMENT THAT THE
27 PLAN OF CONVERSION WAS APPROVED IN ACCORDANCE WITH THIS ARTICLE OR, IF THE
28 CONVERTING ENTITY IS A FOREIGN ENTITY, A STATEMENT THAT THE CONVERSION WAS
29 APPROVED BY THE FOREIGN CONVERTING ENTITY IN ACCORDANCE WITH THE LAW OF ITS
30 JURISDICTION OF ORGANIZATION.

31 5. IF THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC
32 ORGANIZATIONAL DOCUMENT, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE
33 DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

34 6. IF THE CONVERTED ENTITY IS A FOREIGN ENTITY THAT IS REQUIRED TO BE
35 A QUALIFIED FOREIGN ENTITY, ANY DOCUMENTS THAT LAWS IN THIS STATE REQUIRE IT
36 TO FILE TO BECOME A QUALIFIED FOREIGN ENTITY, AS AN ATTACHMENT, AND THE
37 ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR
38 FILING.

39 7. IF THE CONVERTED ENTITY IS A FOREIGN ENTITY THAT IS NOT REQUIRED TO
40 BE A QUALIFIED FOREIGN ENTITY, A MAILING ADDRESS TO WHICH THE APPROPRIATE
41 FILING AUTHORITY MAY SEND ANY PROCESS SERVED ON THE APPROPRIATE FILING
42 AUTHORITY PURSUANT TO SECTION 29-2406, SUBSECTION E.

43 8. IF THE CONVERTED ENTITY IS A DOMESTIC LIMITED LIABILITY
44 PARTNERSHIP, ITS STATEMENT OF QUALIFICATION, AS AN ATTACHMENT, AND THE

ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, A STATEMENT OF CONVERSION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY LAW.

D. IF THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC ORGANIZATIONAL DOCUMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 5 OF THIS SECTION:

1. MUST SATISFY THE REQUIREMENTS OF THE LAWS OF THIS STATE.

2. IS DEEMED TO BE SIGNED BY MEANS OF THE SIGNING OF THE STATEMENT OF CONVERSION.

3. MAY OMIT ANY PROVISION THAT IS NOT REQUIRED TO BE INCLUDED IN A RESTATEMENT OF THE PUBLIC ORGANIZATIONAL DOCUMENT.

E. WITH RESPECT TO A PLAN OF CONVERSION THAT IS SIGNED ON BEHALF OF A DOMESTIC CONVERTING ENTITY AND THAT MEETS ALL OF THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION:

1. IF EITHER THE CONVERTING ENTITY OR THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN MAY BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY INSTEAD OF A STATEMENT OF CONVERSION AND, ON FILING, HAS THE SAME EFFECT AS A STATEMENT OF CONVERSION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF CONVERSION REFER TO THE PLAN OF CONVERSION FILED UNDER THIS SUBSECTION.

2. IF NEITHER THE CONVERTING ENTITY NOR THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN HAS THE SAME EFFECT AS A STATEMENT OF CONVERSION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF CONVERSION REFER TO THE PLAN OF CONVERSION.

F. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE CONVERSION:

1. IF EITHER THE CONVERTING ENTITY OR THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, ONCE A STATEMENT OF CONVERSION HAS BEEN APPROVED FOR FILING BY THE APPROPRIATE FILING AUTHORITY OR AUTHORITIES, BOTH THE CONVERSION AND THE STATEMENT OF CONVERSION ARE DEEMED TO HAVE BECOME EFFECTIVE ON THE DATE AND TIME OF THE DELIVERY OF THE STATEMENT OF CONVERSION FOR FILING WITH THE APPROPRIATE FILING AUTHORITY OR AUTHORITIES OR, IF APPLICABLE, ON THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF CONVERSION.

2. IF NEITHER THE CONVERTING ENTITY NOR THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, BOTH THE STATEMENT OF CONVERSION AND THE CONVERSION ARE EFFECTIVE ON THE SIGNING OF THE STATEMENT OF CONVERSION OR, IF APPLICABLE, THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF CONVERSION.

29-2406. Effect of conversion

A. WHEN A CONVERSION BECOMES EFFECTIVE:

1. THE CONVERTED ENTITY IS BOTH OF THE FOLLOWING:

(a) ORGANIZED UNDER AND SUBJECT TO THE GOVERNING STATUTE OF THE CONVERTED ENTITY.

(b) THE SAME ENTITY WITHOUT INTERRUPTION AS THE CONVERTING ENTITY.

1 2. ALL PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND POWERS,
2 OF THE CONVERTING ENTITY REMAINS VESTED IN THE CONVERTED ENTITY WITHOUT
3 ASSIGNMENT, REVERSION OR IMPAIRMENT.

4 3. ALL OBLIGATIONS OF THE CONVERTING ENTITY CONTINUE AS OBLIGATIONS OF
5 THE CONVERTED ENTITY.

6 4. EXCEPT AS PROVIDED BY LAW OTHER THAN THIS CHAPTER OR THE PLAN OF
7 CONVERSION, ALL OF THE RIGHTS, PRIVILEGES, IMMUNITIES, POWERS AND PURPOSES OF
8 THE CONVERTING ENTITY REMAIN IN THE CONVERTED ENTITY.

9 5. THE NAME OF THE CONVERTED ENTITY MAY BE SUBSTITUTED FOR THE NAME OF
10 THE CONVERTING ENTITY IN ANY PENDING ACTION OR PROCEEDING.

11 6. IF THE CONVERTED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC
12 ORGANIZATIONAL DOCUMENT IS EFFECTIVE AND IS BINDING ON ITS INTEREST HOLDERS.

13 7. IF THE CONVERTED ENTITY IS A DOMESTIC LIMITED LIABILITY
14 PARTNERSHIP, ITS STATEMENT OF QUALIFICATION IS EFFECTIVE SIMULTANEOUSLY.

15 8. IF THE CONVERTED ENTITY IS TO BE A QUALIFIED FOREIGN ENTITY, THE
16 DOCUMENTS IT FILED TO BECOME A QUALIFIED FOREIGN ENTITY ARE EFFECTIVE
17 SIMULTANEOUSLY.

18 9. THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE CONVERTED ENTITY THAT
19 ARE TO BE IN A RECORD, IF ANY, APPROVED AS PART OF THE PLAN OF CONVERSION ARE
20 EFFECTIVE AND ARE BINDING.

21 10. THE INTERESTS IN THE CONVERTING ENTITY ARE CONVERTED AND THE
22 INTEREST HOLDERS OF THE CONVERTING ENTITY ARE ENTITLED ONLY TO THE RIGHTS
23 PROVIDED TO THEM UNDER THE PLAN OF CONVERSION AND TO ANY APPRAISAL RIGHTS
24 THEY HAVE UNDER SECTION 29-2109 AND THE CONVERTING ENTITY'S GOVERNING
25 STATUTE.

26 B. EXCEPT AS PROVIDED IN THE PLAN OF CONVERSION OR IN THE GOVERNING
27 STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE CONVERTING ENTITY, THE CONVERSION
28 DOES NOT GIVE RISE TO ANY RIGHTS THAT AN INTEREST HOLDER, GOVERNOR OR THIRD
29 PARTY WOULD OTHERWISE HAVE ON A DISSOLUTION, LIQUIDATION OR WINDING UP OF THE
30 CONVERTING ENTITY.

31 C. WHEN A CONVERSION BECOMES EFFECTIVE, A PERSON THAT DID NOT HAVE
32 INTEREST HOLDER LIABILITY WITH RESPECT TO THE CONVERTING ENTITY AND THAT
33 BECOMES SUBJECT TO INTEREST HOLDER LIABILITY WITH RESPECT TO THE DOMESTIC
34 CONVERTED ENTITY AS A RESULT OF A CONVERSION HAS INTEREST HOLDER LIABILITY
35 ONLY TO THE EXTENT PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL
36 DOCUMENTS OF THE DOMESTIC CONVERTED ENTITY, AND THEN ONLY FOR THOSE
37 OBLIGATIONS THAT ARISE AFTER THE CONVERSION BECOMES EFFECTIVE.

38 D. WHEN A CONVERSION BECOMES EFFECTIVE, THE INTEREST HOLDER LIABILITY
39 OF A PERSON THAT CEASES TO HOLD AN INTEREST IN A DOMESTIC CONVERTING ENTITY
40 WITH RESPECT TO WHICH THE PERSON HAD INTEREST HOLDER LIABILITY IS AS FOLLOWS:

41 1. THE CONVERSION DOES NOT DISCHARGE ANY INTEREST HOLDER LIABILITY
42 UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF A DOMESTIC
43 CONVERTING ENTITY TO THE EXTENT THE INTEREST HOLDER LIABILITY AROSE BEFORE
44 THE CONVERSION BECAME EFFECTIVE.

2. THE PERSON DOES NOT HAVE INTEREST HOLDER LIABILITY UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC CONVERTING ENTITY FOR ANY OBLIGATION THAT ARISES AFTER THE CONVERSION BECOMES EFFECTIVE.

3. THE GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC CONVERTING ENTITY CONTINUE TO APPLY TO THE RELEASE, COLLECTION OR DISCHARGE OF ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE CONVERSION HAD NOT OCCURRED.

4. THE PERSON HAS THE SAME RIGHTS OF CONTRIBUTION FROM ANY OTHER PERSON AS ARE PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC CONVERTING ENTITY WITH RESPECT TO ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE CONVERSION HAD NOT OCCURRED.

E. WHEN A CONVERSION BECOMES EFFECTIVE, A FOREIGN ENTITY THAT IS THE CONVERTED ENTITY:

1. MAY BE SERVED WITH PROCESS IN THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF ANY OF ITS OBLIGATIONS THAT ARISE BEFORE THE CONVERSION BECOMES EFFECTIVE, INCLUDING OBLIGATIONS ARISING OUT OF THE EXERCISE OF APPRAISAL RIGHTS.

2. IF IT IS NOT A QUALIFIED FOREIGN ENTITY, APPOINTS THE APPROPRIATE FILING AUTHORITY AS ITS AGENT FOR SERVICE OF PROCESS FOR COLLECTING OR ENFORCING THOSE OBLIGATIONS.

F. WHEN THE CONVERSION BECOMES EFFECTIVE, THE AUTHORITY, REGISTRATION OR OTHER QUALIFICATION GRANTED BY THE APPROPRIATE FILING AUTHORITY TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN THIS STATE OF A CONVERTING ENTITY THAT IS A QUALIFIED FOREIGN ENTITY IS AUTOMATICALLY REVOKED OR CANCELLED.

G. A CONVERSION DOES NOT REQUIRE THE ENTITY TO WIND UP ITS AFFAIRS AND DOES NOT CONSTITUTE OR CAUSE THE DISSOLUTION OF THE ENTITY.

29-2407. Ineffectiveness of conversion due to law of foreign jurisdiction

A. IF A STATEMENT OF CONVERSION IS FILED WITH THE APPROPRIATE FILING AUTHORITY BUT THE CONVERSION IS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION AS REQUIRED BY EITHER SECTION 29-2401, SUBSECTION A, PARAGRAPH 2 OR SUBSECTION B, THE CONVERSION IS INEFFECTIVE. A STATEMENT OF INEFFECTIVENESS OF CONVERSION MUST BE SIGNED ON BEHALF OF THE ENTITY ON BEHALF OF WHICH THE STATEMENT OF CONVERSION WAS SIGNED AND MUST BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY TO REFLECT THAT INEFFECTIVENESS IN THE PUBLIC RECORD.

B. THE STATEMENT OF INEFFECTIVENESS OF CONVERSION MUST CONTAIN EACH OF THE FOLLOWING, IF APPLICABLE:

1. THE NAME OF THE ENTITY THAT ATTEMPTED THE CONVERSION.
2. THE DATE ON WHICH THE STATEMENT OF CONVERSION WAS FILED.
3. A STATEMENT THAT THE CONVERSION WAS INEFFECTIVE BECAUSE IT WAS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION.
4. IF ANOTHER ENTITY HAS ADOPTED THE NAME OF THE ENTITY THAT ATTEMPTED THE CONVERSION, OR IF ANOTHER PERSON HAS ADOPTED AS A TRADE NAME THE NAME OF

1 THAT ENTITY, THE ENTITY THAT ATTEMPTED THE CONVERSION MUST CHANGE ITS NAME BY
2 ATTACHING AN AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT. THE AMENDMENT
3 MUST CHANGE THE NAME OF THE ENTITY IN ACCORDANCE WITH THE NAMING REQUIREMENTS
4 OF ITS GOVERNING STATUTE AND, IF ATTACHED, IS DEEMED TO BE DELIVERED TO THE
5 APPROPRIATE FILING AUTHORITY FOR FILING.

6 C. THE ENTITY THAT ATTEMPTED THE CONVERSION IS BOTH:

7 1. RESPONSIBLE TO ANY OTHER PERSON FOR ANY OBLIGATION INCURRED BY THAT
8 PERSON THAT ARISES OUT OF OR RELATES TO THE INEFFECTIVENESS OF THE ATTEMPTED
9 CONVERSION, UNLESS THE ENTITY ESTABLISHES THAT THE OBLIGATION WAS NOT
10 INCURRED IN GOOD FAITH.

11 2. DEEMED TO HAVE APPOINTED THE APPROPRIATE FILING AUTHORITY AS ITS
12 AGENT FOR SERVICE OF PROCESS FOR ANY ACTION ARISING UNDER THIS SECTION UNLESS
13 THE ENTITY IS A DOMESTIC ENTITY OR A QUALIFIED FOREIGN ENTITY.

14 D. IF THEY WERE ACTING IN GOOD FAITH, THE ENTITY THAT ATTEMPTED THE
15 CONVERSION AND ITS INTEREST HOLDERS, GOVERNORS OR OTHER REPRESENTATIVES ARE
16 NOT CIVILLY OR CRIMINALLY LIABLE AND MAY NOT BE FOUND GUILTY IN CONNECTION
17 WITH AN INEFFECTIVE CONVERSION UNDER ANY LAW OF THIS STATE PERTAINING TO:

18 1. THE FILING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
19 DOCUMENT.

20 2. THE MAKING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
21 STATEMENT.

22 3. ANY SIMILAR MATTER.

23 ARTICLE 5. DOMESTICATION

24 29-2501. Domestication authorized; definition

25 A. BY COMPLYING WITH THIS ARTICLE, A DOMESTIC ENTITY MAY BECOME A
26 DOMESTIC ENTITY OF THE SAME TYPE IN A FOREIGN JURISDICTION IF THE
27 DOMESTICATION IS AUTHORIZED BY THE LAW OF THE FOREIGN JURISDICTION.

28 B. A FOREIGN ENTITY MAY BECOME A DOMESTIC ENTITY OF THE SAME TYPE IN
29 THIS STATE UNDER THIS ARTICLE IF THE DOMESTICATION IS AUTHORIZED BY THE LAW
30 OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

31 C. IF A PROTECTED AGREEMENT CONTAINS A PROVISION THAT APPLIES TO A
32 MERGER OF A DOMESTIC ENTITY BUT DOES NOT REFER TO A DOMESTICATION, THE
33 PROVISION APPLIES TO A DOMESTICATION OF THE ENTITY AS IF THE DOMESTICATION
34 WERE A MERGER UNTIL THE AGREEMENT IS AMENDED AFTER THE EFFECTIVE DATE OF THIS
35 SECTION.

36 D. "DOMESTIC ENTITY", WHEN USED IN THIS ARTICLE IN REFERENCE TO A
37 FOREIGN JURISDICTION, MEANS AN ENTITY WHOSE INTERNAL AFFAIRS ARE GOVERNED BY
38 THE LAW OF THE FOREIGN JURISDICTION.

39 29-2502. Plan of domestication

40 A. A DOMESTIC ENTITY MAY BECOME A FOREIGN ENTITY IN A DOMESTICATION BY
41 APPROVING A PLAN OF DOMESTICATION. THE PLAN MUST BE IN A RECORD AND CONTAIN
42 ALL OF THE FOLLOWING:

43 1. THE NAME AND TYPE OF THE DOMESTICATING ENTITY.

44 2. THE NAME AND JURISDICTION OF ORGANIZATION OF THE DOMESTICATED
45 ENTITY.

3. THE MANNER OF CONVERTING THE INTERESTS IN THE DOMESTICATING ENTITY INTO INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.

4. THE PROPOSED PUBLIC ORGANIZATIONAL DOCUMENT OF THE DOMESTICATED ENTITY IF IT IS A FILING ENTITY.

5. THE FULL TEXT OF THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE DOMESTICATED ENTITY THAT ARE PROPOSED TO BE IN A RECORD.

6. THE OTHER TERMS AND CONDITIONS OF THE DOMESTICATION, IF ANY.

7. ANY OTHER PROVISION REQUIRED BY THE LAWS OF THIS STATE OR THE ORGANIZATIONAL DOCUMENTS OF THE DOMESTICATING ENTITY.

B. A PLAN OF DOMESTICATION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY LAW.

29-2503. Approval of domestication

A. A PLAN OF DOMESTICATION IS NOT EFFECTIVE UNLESS IT HAS BEEN APPROVED BOTH:

1. BY A DOMESTIC DOMESTICATING ENTITY:

(a) IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A DOMESTICATION.

(b) IF NEITHER THE GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF A DOMESTICATION, IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A MERGER BETWEEN UNAFFILIATED ENTITIES, AS IF THE DOMESTICATION WERE A MERGER.

(c) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS PROVIDE FOR APPROVAL OF A DOMESTICATION OR A MERGER, BY ALL OF THE INTEREST HOLDERS OF THE ENTITY ENTITLED TO VOTE ON OR CONSENT TO ANY MATTER OR, IF THERE ARE NO SUCH INTEREST HOLDERS, BY ALL OF THE GOVERNORS OF THE ENTITY.

2. IN A RECORD BY EACH INTEREST HOLDER OF A DOMESTIC DOMESTICATING ENTITY THAT WILL HAVE INTEREST HOLDER LIABILITY FOR OBLIGATIONS THAT ARISE AFTER THE DOMESTICATION BECOMES EFFECTIVE, UNLESS BOTH:

(a) THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY EXPRESSLY PROVIDE IN A RECORD FOR THE APPROVAL OF A DOMESTICATION OR A MERGER IN WHICH SOME OR ALL OF ITS INTEREST HOLDERS BECOME SUBJECT TO INTEREST HOLDER LIABILITY BY THE VOTE OR CONSENT OF FEWER THAN ALL OF THE INTEREST HOLDERS.

(b) THE INTEREST HOLDER VOTED FOR OR CONSENTED IN A RECORD TO THAT PROVISION OF THE ORGANIZATIONAL DOCUMENTS OR BECAME AN INTEREST HOLDER AFTER THE ADOPTION OF THAT PROVISION.

B. A DOMESTICATION OF A FOREIGN DOMESTICATING ENTITY IS NOT EFFECTIVE UNLESS IT IS APPROVED BY THE FOREIGN ENTITY IN ACCORDANCE WITH THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

29-2504. Amendment or abandonment of plan of domestication

A. A PLAN OF DOMESTICATION OF A DOMESTIC DOMESTICATING ENTITY MAY BE AMENDED EITHER:

1. IN THE SAME MANNER AS THE PLAN WAS APPROVED, IF THE PLAN DOES NOT PROVIDE FOR THE MANNER IN WHICH IT MAY BE AMENDED.

2. BY THE GOVERNORS OR INTEREST HOLDERS OF THE ENTITY IN THE MANNER PROVIDED IN THE PLAN, EXCEPT THAT AN INTEREST HOLDER THAT WAS ENTITLED TO VOTE ON OR CONSENT TO APPROVAL OF THE DOMESTICATION IS ENTITLED TO VOTE ON OR CONSENT TO ANY AMENDMENT OF THE PLAN THAT WILL CHANGE ANY OF THE FOLLOWING:

(a) THE AMOUNT OR KIND OF INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING, TO BE RECEIVED BY ANY OF THE INTEREST HOLDERS OF THE DOMESTICATING ENTITY UNDER THE PLAN.

(b) THE PUBLIC ORGANIZATIONAL DOCUMENT OR PRIVATE ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DOMESTICATED ENTITY THAT WILL BE IN EFFECT IMMEDIATELY AFTER THE DOMESTICATION BECOMES EFFECTIVE, EXCEPT FOR CHANGES THAT DO NOT REQUIRE APPROVAL OF THE INTEREST HOLDERS OF THE DOMESTIC DOMESTICATED ENTITY UNDER ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS.

(c) ANY OTHER TERMS OR CONDITIONS OF THE PLAN IF THE CHANGE WOULD ADVERSELY AFFECT THE INTEREST HOLDER IN ANY MATERIAL RESPECT.

B. AFTER A PLAN OF DOMESTICATION HAS BEEN APPROVED BY A DOMESTIC DOMESTICATING ENTITY AND BEFORE A STATEMENT OF DOMESTICATION BECOMES EFFECTIVE PURSUANT TO SECTION 29-2505, THE PLAN MAY BE ABANDONED BY THE DOMESTIC DOMESTICATING ENTITY, SUBJECT TO ANY CONTRACTUAL RIGHTS AS FOLLOWS:

1. AS PROVIDED IN THE PLAN.

2. IF NOT PROVIDED IN THE PLAN, EITHER:

(a) BY THE GOVERNORS OF THE DOMESTIC DOMESTICATING ENTITY, UNLESS PROHIBITED BY THE PLAN.

(b) IN THE SAME MANNER AS THE PLAN WAS APPROVED.

C. IF A STATEMENT OF DOMESTICATION HAS BEEN DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY, THE PLAN OF DOMESTICATION MAY BE ABANDONED ONLY IF THE STATEMENT OF DOMESTICATION SETS FORTH A DELAYED EFFECTIVE DATE UNDER SECTION 29-2505, SUBSECTION B, PARAGRAPH 3. SUCH A PLAN OF DOMESTICATION MAY BE ABANDONED BY DELIVERING FOR FILING WITH THE APPROPRIATE FILING AUTHORITY ON OR BEFORE THE DELAYED EFFECTIVE DATE A STATEMENT OF ABANDONMENT, SIGNED ON BEHALF OF THE DOMESTIC DOMESTICATING ENTITY. A STATEMENT OF ABANDONMENT TAKES EFFECT ON DELIVERY FOR FILING, AND THE DOMESTICATION IS ABANDONED AND DOES NOT BECOME EFFECTIVE. THE STATEMENT OF ABANDONMENT MUST CONTAIN:

1. THE NAME OF THE DOMESTIC DOMESTICATING ENTITY.

2. THE DATE ON WHICH THE STATEMENT OF DOMESTICATION WAS FILED.

3. A STATEMENT THAT THE DOMESTICATION HAS BEEN ABANDONED IN ACCORDANCE WITH THIS SECTION.

29-2505. Statement of domestication; effective date

A. A STATEMENT OF DOMESTICATION MUST BE SIGNED ON BEHALF OF THE DOMESTICATING ENTITY. THE STATEMENT OF DOMESTICATION MUST BE DELIVERED FOR FILING:

1. IN THE CASE OF A DOMESTIC ENTITY BECOMING A DOMESTIC ENTITY OF THE SAME TYPE IN A FOREIGN JURISDICTION PURSUANT TO SECTION 29-2501, SUBSECTION

1 A, WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC
2 DOMESTICATING ENTITY.

3 2. IN THE CASE OF A FOREIGN ENTITY BECOMING A DOMESTIC ENTITY OF THE
4 SAME TYPE IN THIS STATE PURSUANT TO SECTION 29-2501, SUBSECTION B, WITH THE
5 APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC DOMESTICATED ENTITY.

6 B. A STATEMENT OF DOMESTICATION MUST CONTAIN EACH OF THE FOLLOWING, IF
7 APPLICABLE:

8 1. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE
9 DOMESTICATING ENTITY.

10 2. THE NAME AND JURISDICTION OF ORGANIZATION OF THE DOMESTICATED
11 ENTITY.

12 3. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE DOMESTICATION:

13 (a) IF EITHER THE DOMESTICATING ENTITY OR THE DOMESTICATED ENTITY IS A
14 DOMESTIC FILING ENTITY AND IF THE STATEMENT OF DOMESTICATION IS NOT TO BE
15 EFFECTIVE ON DELIVERY TO THE APPROPRIATE FILING AUTHORITY, THE LATER DATE AND
16 TIME ON WHICH IT WILL BECOME EFFECTIVE, WHICH MAY NOT BE MORE THAN NINETY
17 DAYS AFTER THE DATE OF ITS DELIVERY TO THE APPROPRIATE FILING AUTHORITY.

18 (b) IF NEITHER THE DOMESTICATING ENTITY NOR THE DOMESTICATED ENTITY IS
19 A DOMESTIC FILING ENTITY AND IF THE STATEMENT OF DOMESTICATION IS NOT TO BE
20 EFFECTIVE ON THE SIGNING OF THE STATEMENT OF DOMESTICATION, THE LATER DATE
21 AND TIME ON WHICH IT WILL BECOME EFFECTIVE.

22 4. IF THE DOMESTICATING ENTITY IS A DOMESTIC ENTITY, A STATEMENT THAT
23 THE PLAN OF DOMESTICATION WAS APPROVED IN ACCORDANCE WITH THIS ARTICLE OR, IF
24 THE DOMESTICATING ENTITY IS A FOREIGN ENTITY, A STATEMENT THAT THE
25 DOMESTICATION WAS APPROVED IN ACCORDANCE WITH THE LAW OF ITS JURISDICTION OF
26 ORGANIZATION.

27 5. IF THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC
28 ORGANIZATIONAL DOCUMENT, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE
29 DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

30 6. IF THE DOMESTICATED ENTITY IS A FOREIGN ENTITY THAT IS REQUIRED TO
31 BE A QUALIFIED FOREIGN ENTITY, ANY DOCUMENTS THAT LAWS IN THIS STATE REQUIRE
32 IT TO FILE TO BECOME A QUALIFIED FOREIGN ENTITY, AS AN ATTACHMENT, AND THE
33 ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR
34 FILING.

35 7. IF THE DOMESTICATED ENTITY IS A FOREIGN ENTITY THAT IS NOT REQUIRED
36 TO BE A QUALIFIED FOREIGN ENTITY, A MAILING ADDRESS TO WHICH THE APPROPRIATE
37 FILING AUTHORITY MAY SEND ANY PROCESS SERVED ON THE APPROPRIATE FILING
38 AUTHORITY PURSUANT TO SECTION 29-2506, SUBSECTION E.

39 8. IF THE DOMESTICATED ENTITY IS A DOMESTIC LIMITED LIABILITY
40 PARTNERSHIP, ITS STATEMENT OF QUALIFICATION, AS AN ATTACHMENT, AND THE
41 ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR
42 FILING.

43 C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, A
44 STATEMENT OF DOMESTICATION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY
45 LAW.

D. IF THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC ORGANIZATIONAL DOCUMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 5 OF THIS SECTION:

1. MUST SATISFY THE REQUIREMENTS OF THE LAWS OF THIS STATE.
2. IS DEEMED TO BE SIGNED BY MEANS OF THE SIGNING OF THE STATEMENT OF DOMESTICATION.
3. MAY OMIT ANY PROVISION THAT IS NOT REQUIRED TO BE INCLUDED IN A RESTATEMENT OF THE PUBLIC ORGANIZATIONAL DOCUMENT.

E. WITH RESPECT TO A PLAN OF DOMESTICATION THAT IS SIGNED ON BEHALF OF A DOMESTICATING DOMESTIC ENTITY AND THAT MEETS ALL OF THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION:

1. IF EITHER THE DOMESTICATING ENTITY OR THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY AND IF THE PLAN SO PROVIDES, THE PLAN MAY BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY INSTEAD OF A STATEMENT OF DOMESTICATION AND, ON FILING, HAS THE SAME EFFECT AS A STATEMENT OF DOMESTICATION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF DOMESTICATION REFER TO THE PLAN OF DOMESTICATION FILED UNDER THIS SUBSECTION.

2. IF NEITHER THE DOMESTICATING ENTITY NOR THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY AND IF THE PLAN SO PROVIDES, THE PLAN HAS THE SAME EFFECT AS A STATEMENT OF DOMESTICATION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF DOMESTICATION REFER TO THE PLAN OF DOMESTICATION.

F. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE DOMESTICATION:

1. IF EITHER THE DOMESTICATING ENTITY OR THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY, ONCE A STATEMENT OF DOMESTICATION HAS BEEN APPROVED BY THE APPROPRIATE FILING AUTHORITY, BOTH THE DOMESTICATION AND THE STATEMENT OF DOMESTICATION BECOME EFFECTIVE ON THE DATE AND TIME OF THE DELIVERY OF THE STATEMENT OF DOMESTICATION FOR FILING WITH THE APPROPRIATE FILING AUTHORITY OR, IF APPLICABLE, ON THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF DOMESTICATION.

2. IF NEITHER THE DOMESTICATING ENTITY NOR THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY, BOTH THE DOMESTICATION AND THE STATEMENT OF DOMESTICATION ARE EFFECTIVE ON THE SIGNING OF THE STATEMENT OF DOMESTICATION OR, IF APPLICABLE, THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF DOMESTICATION.

29-2506. Effect of domestication

A. WHEN A DOMESTICATION BECOMES EFFECTIVE:

1. THE DOMESTICATED ENTITY IS BOTH:

- (a) ORGANIZED UNDER AND SUBJECT TO THE GOVERNING STATUTE OF THE DOMESTICATED ENTITY.

- (b) THE SAME ENTITY WITHOUT INTERRUPTION AS THE DOMESTICATING ENTITY.

2. ALL PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND POWERS OF THE DOMESTICATING ENTITY, REMAINS VESTED IN THE DOMESTICATED ENTITY WITHOUT ASSIGNMENT, REVERSION OR IMPAIRMENT.

3. ALL OBLIGATIONS OF THE DOMESTICATING ENTITY CONTINUE AS OBLIGATIONS OF THE DOMESTICATED ENTITY.

1 4. EXCEPT AS PROVIDED BY LAW OTHER THAN THIS CHAPTER OR THE PLAN OF
2 DOMESTICATION, ALL OF THE RIGHTS, PRIVILEGES, IMMUNITIES, POWERS AND PURPOSES
3 OF THE DOMESTICATING ENTITY REMAIN IN THE DOMESTICATED ENTITY.

4 5. THE NAME OF THE DOMESTICATED ENTITY MAY BE SUBSTITUTED FOR THE NAME
5 OF THE DOMESTICATING ENTITY IN ANY PENDING ACTION OR PROCEEDING.

6 6. IF THE DOMESTICATED ENTITY IS A DOMESTIC FILING ENTITY, ITS PUBLIC
7 ORGANIZATIONAL DOCUMENT IS EFFECTIVE AND IS BINDING ON ITS INTEREST HOLDERS.

8 7. IF THE DOMESTICATED ENTITY IS A DOMESTIC LIMITED LIABILITY
9 PARTNERSHIP, ITS STATEMENT OF QUALIFICATION IS EFFECTIVE SIMULTANEOUSLY.

10 8. IF THE DOMESTICATED ENTITY IS TO BE A QUALIFIED FOREIGN ENTITY, THE
11 DOCUMENTS IT FILED TO BECOME A QUALIFIED FOREIGN ENTITY ARE EFFECTIVE
12 SIMULTANEOUSLY.

13 9. THE PRIVATE ORGANIZATIONAL DOCUMENTS OF THE DOMESTICATED ENTITY
14 THAT ARE TO BE IN A RECORD, IF ANY, APPROVED AS PART OF THE PLAN OF
15 DOMESTICATION ARE EFFECTIVE AND ARE BINDING.

16 10. THE INTERESTS IN THE DOMESTICATING ENTITY ARE CONVERTED AND THE
17 INTEREST HOLDERS OF THE DOMESTICATING ENTITY ARE ENTITLED ONLY TO THE RIGHTS
18 PROVIDED TO THEM UNDER THE PLAN OF DOMESTICATION AND TO ANY APPRAISAL RIGHTS
19 THEY HAVE UNDER SECTION 29-2109 AND THE DOMESTICATING ENTITY'S GOVERNING
20 STATUTE.

21 B. EXCEPT AS PROVIDED IN THE PLAN OF DOMESTICATION OR IN THE GOVERNING
22 STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTICATING ENTITY, THE
23 DOMESTICATION DOES NOT GIVE RISE TO ANY RIGHTS THAT AN INTEREST HOLDER,
24 GOVERNOR OR THIRD PARTY WOULD OTHERWISE HAVE ON A DISSOLUTION, LIQUIDATION OR
25 WINDING UP OF THE DOMESTICATING ENTITY.

26 C. WHEN A DOMESTICATION BECOMES EFFECTIVE, A PERSON THAT DID NOT HAVE
27 INTEREST HOLDER LIABILITY WITH RESPECT TO THE DOMESTICATING ENTITY AND THAT
28 BECOMES SUBJECT TO INTEREST HOLDER LIABILITY WITH RESPECT TO THE DOMESTIC
29 DOMESTICATED ENTITY AS A RESULT OF THE DOMESTICATION HAS INTEREST HOLDER
30 LIABILITY ONLY TO THE EXTENT PROVIDED BY THE GOVERNING STATUTE OR
31 ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DOMESTICATED ENTITY, AND THEN ONLY
32 FOR THOSE OBLIGATIONS THAT ARISE AFTER THE DOMESTICATION BECOMES EFFECTIVE.

33 D. WHEN A DOMESTICATION BECOMES EFFECTIVE, THE INTEREST HOLDER
34 LIABILITY OF A PERSON THAT CEASES TO HOLD AN INTEREST IN A DOMESTIC
35 DOMESTICATING ENTITY WITH RESPECT TO WHICH THE PERSON HAD INTEREST HOLDER
36 LIABILITY IS AS FOLLOWS:

37 1. THE DOMESTICATION DOES NOT DISCHARGE ANY INTEREST HOLDER LIABILITY
38 UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC
39 DOMESTICATING ENTITY TO THE EXTENT THE INTEREST HOLDER LIABILITY AROSE BEFORE
40 THE DOMESTICATION BECAME EFFECTIVE.

41 2. THE PERSON DOES NOT HAVE INTEREST HOLDER LIABILITY UNDER THE
42 GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DOMESTICATING
43 ENTITY FOR ANY OBLIGATION THAT ARISES AFTER THE DOMESTICATION BECOMES
44 EFFECTIVE.

3. THE GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DOMESTICATING ENTITY CONTINUE TO APPLY TO THE RELEASE, COLLECTION OR DISCHARGE OF ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE DOMESTICATION HAD NOT OCCURRED.

4. THE PERSON HAS THE SAME RIGHTS OF CONTRIBUTION FROM ANY OTHER PERSON AS ARE PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF A DOMESTIC DOMESTICATING ENTITY WITH RESPECT TO ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE DOMESTICATION HAD NOT OCCURRED.

E. WHEN A DOMESTICATION BECOMES EFFECTIVE, A FOREIGN ENTITY THAT IS THE DOMESTICATED ENTITY:

1. MAY BE SERVED WITH PROCESS IN THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF ANY OF ITS OBLIGATIONS THAT ARISE BEFORE THE DOMESTICATION BECOMES EFFECTIVE, INCLUDING OBLIGATIONS ARISING OUT OF THE EXERCISE OF APPRAISAL RIGHTS.

2. IF IT IS NOT A QUALIFIED FOREIGN ENTITY, APPOINTS THE APPROPRIATE FILING AUTHORITY AS ITS AGENT FOR SERVICE OF PROCESS FOR COLLECTING OR ENFORCING THOSE OBLIGATIONS.

F. WHEN THE DOMESTICATION BECOMES EFFECTIVE, THE AUTHORITY, REGISTRATION OR OTHER QUALIFICATION GRANTED BY THE APPROPRIATE FILING AUTHORITY TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN THIS STATE OF A DOMESTICATING ENTITY THAT IS A QUALIFIED FOREIGN ENTITY IS AUTOMATICALLY REVOKED OR CANCELED.

G. A DOMESTICATION DOES NOT REQUIRE THE ENTITY TO WIND UP ITS AFFAIRS AND DOES NOT CONSTITUTE OR CAUSE THE DISSOLUTION OF THE ENTITY.

29-2507. Ineffectiveness of domestication due to law of foreign jurisdiction

A. IF A STATEMENT OF DOMESTICATION IS FILED WITH THE APPROPRIATE FILING AUTHORITY BUT THE DOMESTICATION IS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION AS REQUIRED BY SECTION 29-2501, SUBSECTION A OR B, THE DOMESTICATION IS INEFFECTIVE. A STATEMENT OF INEFFECTIVENESS OF DOMESTICATION MUST BE SIGNED ON BEHALF OF THE ENTITY ON BEHALF OF WHICH THE STATEMENT OF DOMESTICATION WAS SIGNED AND MUST BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY TO REFLECT THE INEFFECTIVENESS IN THE PUBLIC RECORD.

B. THE STATEMENT OF INEFFECTIVENESS OF DOMESTICATION MUST CONTAIN EACH OF THE FOLLOWING, IF APPLICABLE:

1. THE NAME OF THE ENTITY THAT ATTEMPTED THE DOMESTICATION.

2. THE DATE ON WHICH THE STATEMENT OF DOMESTICATION WAS FILED.

3. A STATEMENT THAT THE DOMESTICATION WAS INEFFECTIVE BECAUSE IT WAS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION.

4. IF ANOTHER ENTITY HAS ADOPTED THE NAME OF THE ENTITY THAT ATTEMPTED THE DOMESTICATION, OR IF ANOTHER PERSON HAS ADOPTED AS A TRADE NAME THE NAME OF THE ENTITY, THE ENTITY THAT ATTEMPTED THE DOMESTICATION MUST CHANGE ITS NAME BY ATTACHING AN AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT. THE

1 AMENDMENT MUST CHANGE THE NAME OF THE ENTITY IN ACCORDANCE WITH THE NAMING
2 REQUIREMENTS OF ITS GOVERNING STATUTE AND, IF ATTACHED, IS DEEMED TO BE
3 DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

4 C. THE ENTITY THAT ATTEMPTED THE DOMESTICATION IS BOTH:

5 1. RESPONSIBLE TO ANY OTHER PERSON FOR ANY OBLIGATION INCURRED BY THAT
6 PERSON THAT ARISES OUT OF OR RELATES TO THE INEFFECTIVENESS OF THE ATTEMPTED
7 DOMESTICATION UNLESS THE ENTITY ESTABLISHES THAT THE OBLIGATION WAS NOT
8 INCURRED IN GOOD FAITH.

9 2. DEEMED TO HAVE APPOINTED THE APPROPRIATE FILING AUTHORITY AS ITS
10 AGENT FOR SERVICE OF PROCESS FOR ANY ACTION ARISING UNDER THIS SECTION,
11 UNLESS THE ENTITY IS A DOMESTIC ENTITY OR A QUALIFIED FOREIGN ENTITY.

12 D. IF THEY WERE ACTING IN GOOD FAITH, THE ENTITY THAT ATTEMPTED THE
13 DOMESTICATION AND ITS INTEREST HOLDERS, GOVERNORS AND OTHER REPRESENTATIVES
14 ARE NOT CIVILLY OR CRIMINALLY LIABLE AND MAY NOT BE FOUND GUILTY IN
15 CONNECTION WITH AN INEFFECTIVE DOMESTICATION UNDER ANY LAW OF THIS STATE
16 PERTAINING TO:

17 1. THE FILING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
18 DOCUMENT.

19 2. THE MAKING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
20 STATEMENT.

21 3. ANY SIMILAR MATTER.

22 ARTICLE 6. DIVISIONS

23 29-2601. Division authorized

24 A. BY COMPLYING WITH THIS ARTICLE, A DOMESTIC ENTITY MAY DIVIDE INTO
25 EITHER:

26 1. THE DIVIDING ENTITY AND ONE OR MORE NEW ENTITIES, WHETHER DOMESTIC
27 OR FOREIGN.

28 2. TWO OR MORE NEW ENTITIES, WHETHER DOMESTIC OR FOREIGN.

29 B. A FOREIGN ENTITY MAY BE CREATED BY THE DIVISION OF A DOMESTIC
30 ENTITY UNDER THIS ARTICLE ONLY IF THE DIVISION IS AUTHORIZED BY THE LAW OF
31 THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

32 C. A DOMESTIC ENTITY MAY BE CREATED BY THE DIVISION OF A FOREIGN
33 ENTITY UNDER THIS ARTICLE ONLY IF THE DIVISION IS AUTHORIZED BY THE LAW OF
34 THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

35 D. IF A PROTECTED AGREEMENT CONTAINS A PROVISION THAT APPLIES TO A
36 MERGER OF A DOMESTIC ENTITY BUT DOES NOT REFER TO A DIVISION, THE PROVISION
37 APPLIES TO A DIVISION OF THE ENTITY AS IF THE DIVISION WERE A MERGER UNTIL
38 THE AGREEMENT IS AMENDED AFTER THE EFFECTIVE DATE OF THIS SECTION.

39 29-2602. Plan of division

40 A. A DOMESTIC ENTITY MAY DIVIDE UNDER THIS ARTICLE BY APPROVING A PLAN
41 OF DIVISION. THE PLAN OF DIVISION MUST BE IN A RECORD AND CONTAIN ALL OF THE
42 FOLLOWING:

43 1. THE NAME AND TYPE OF THE DIVIDING ENTITY.

44 2. A STATEMENT AS TO WHETHER THE DIVIDING ENTITY WILL SURVIVE THE
45 DIVISION.

1 3. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF EACH NEW
2 RESULTING ENTITY.

3 4. THE MANNER OF ALL OF THE FOLLOWING:

4 (a) CONVERTING THE INTERESTS IN THE DIVIDING ENTITY INTO INTERESTS,
5 SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR
6 OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING.

7 (b) ALLOCATING BETWEEN OR AMONG THE RESULTING ENTITIES THE PROPERTY OF
8 THE DIVIDING ENTITY THAT WILL NOT BE OWNED BY ALL OF THE RESULTING ENTITIES
9 AS TENANTS IN COMMON PURSUANT TO SECTION 29-2606, SUBSECTION A, PARAGRAPH 4
10 AND THOSE OBLIGATIONS OF THE DIVIDING ENTITY AS TO WHICH NOT ALL OF THE
11 RESULTING ENTITIES WILL BE LIABLE JOINTLY AND SEVERALLY PURSUANT TO
12 SECTION 29-2607.

13 (c) DISTRIBUTING THE INTERESTS IN THE RESULTING ENTITIES CREATED IN
14 THE DIVISION.

15 5. THE PROPOSED PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, OF EACH NEW
16 RESULTING ENTITY AND THE FULL TEXT OF ITS PRIVATE ORGANIZATIONAL DOCUMENTS
17 THAT ARE PROPOSED TO BE IN A RECORD.

18 6. IF THE DIVIDING ENTITY WILL SURVIVE THE DIVISION AND IS A FILING
19 ENTITY, ANY PROPOSED AMENDMENTS TO ITS PUBLIC ORGANIZATIONAL DOCUMENT.

20 7. IF THE DIVIDING ENTITY WILL SURVIVE THE DIVISION, ANY PROPOSED
21 AMENDMENTS TO ITS PRIVATE ORGANIZATIONAL DOCUMENTS THAT ARE IN A RECORD.

22 8. THE OTHER TERMS AND CONDITIONS OF THE DIVISION, IF ANY.

23 9. ANY OTHER PROVISIONS REQUIRED BY THE LAWS OF THIS STATE OR THE
24 ORGANIZATIONAL DOCUMENTS OF THE DIVIDING ENTITY.

25 B. A PLAN OF DIVISION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED
26 BY LAW.

27 29-2603. Approval of division

28 A. A PLAN OF DIVISION IS NOT EFFECTIVE UNLESS IT HAS BEEN APPROVED
29 BOTH:

30 1. BY A DOMESTIC DIVIDING ENTITY:

31 (a) IN ACCORDANCE WITH THE REQUIREMENTS, IF ANY, IN ITS GOVERNING
32 STATUTE AND ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A DIVISION.

33 (b) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS
34 PROVIDE FOR APPROVAL OF A DIVISION, IN ACCORDANCE WITH THE REQUIREMENTS, IF
35 ANY, IN ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS FOR APPROVAL OF A
36 MERGER BETWEEN UNAFFILIATED ENTRIES, AS IF THE DIVISION WERE A MERGER.

37 (c) IF NEITHER ITS GOVERNING STATUTE NOR ITS ORGANIZATIONAL DOCUMENTS
38 PROVIDE FOR APPROVAL OF A DIVISION OR A MERGER, BY ALL OF THE INTEREST
39 HOLDERS OF THE ENTITY ENTITLED TO VOTE ON OR CONSENT TO ANY MATTER OR, IF
40 THERE ARE NO SUCH INTEREST HOLDERS, BY ALL OF THE GOVERNORS OF THE ENTITY.

41 2. IN A RECORD BY EACH INTEREST HOLDER OF A DOMESTIC DIVIDING ENTITY
42 THAT WILL HAVE INTEREST HOLDER LIABILITY FOR OBLIGATIONS THAT ARISE AFTER THE
43 DIVISION BECOMES EFFECTIVE, UNLESS BOTH:

44 (a) THE ORGANIZATIONAL DOCUMENTS OF THE ENTITY EXPRESSLY PROVIDE IN A
45 RECORD FOR THE APPROVAL OF A DIVISION OR A MERGER IN WHICH SOME OR ALL OF ITS

INTEREST HOLDERS BECOME SUBJECT TO INTEREST HOLDER LIABILITY BY THE VOTE OR CONSENT OF FEWER THAN ALL OF THE INTEREST HOLDERS.

(b) THE INTEREST HOLDER VOTED FOR OR CONSENTED IN A RECORD TO THAT PROVISION OF THE ORGANIZATIONAL DOCUMENTS OR BECAME AN INTEREST HOLDER AFTER THE ADOPTION OF THAT PROVISION.

B. A DIVISION OF A FOREIGN ENTITY IS NOT EFFECTIVE UNLESS IT IS APPROVED BY THE FOREIGN ENTITY IN ACCORDANCE WITH THE LAW OF THE FOREIGN ENTITY'S JURISDICTION OF ORGANIZATION.

29-2604. Amendment or abandonment of plan of division

A. A PLAN OF DIVISION OF A DOMESTIC DIVIDING ENTITY MAY BE AMENDED EITHER:

1. IN THE SAME MANNER AS THE PLAN WAS APPROVED IF THE PLAN DOES NOT PROVIDE FOR THE MANNER IN WHICH IT MAY BE AMENDED.

2. BY THE GOVERNORS OR INTEREST HOLDERS OF THE ENTITY IN THE MANNER PROVIDED IN THE PLAN, EXCEPT THAT AN INTEREST HOLDER THAT WAS ENTITLED TO VOTE ON OR CONSENT TO APPROVAL OF THE DIVISION IS ENTITLED TO VOTE ON OR CONSENT TO ANY AMENDMENT OF THE PLAN THAT WILL CHANGE ANY OF THE FOLLOWING:

(a) THE AMOUNT OR KIND OF INTERESTS, SECURITIES, OBLIGATIONS, RIGHTS TO ACQUIRE INTERESTS OR SECURITIES, CASH OR OTHER PROPERTY OR ANY COMBINATION OF THE FOREGOING, TO BE RECEIVED BY ANY OF THE INTEREST HOLDERS OF THE DOMESTIC DIVIDING ENTITY UNDER THE PLAN.

(b) THE PUBLIC ORGANIZATIONAL DOCUMENT OR PRIVATE ORGANIZATIONAL DOCUMENTS OF ANY OF THE RESULTING ENTITIES THAT WILL BE IN EFFECT IMMEDIATELY AFTER THE DIVISION BECOMES EFFECTIVE, EXCEPT FOR CHANGES THAT DO NOT REQUIRE APPROVAL OF THE INTEREST HOLDERS OF THE APPLICABLE RESULTING ENTITY UNDER ITS GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS.

(c) ANY OTHER TERMS OR CONDITIONS OF THE PLAN, IF THE CHANGE WOULD ADVERSELY AFFECT THE INTEREST HOLDER IN ANY MATERIAL RESPECT.

B. AFTER A PLAN OF DIVISION HAS BEEN APPROVED BY A DOMESTIC DIVIDING ENTITY AND BEFORE A STATEMENT OF DIVISION BECOMES EFFECTIVE PURSUANT TO SECTION 29-2605, THE PLAN MAY BE ABANDONED:

1. AS PROVIDED IN THE PLAN.

2. IF NOT PROVIDED IN THE PLAN, EITHER:

(a) BY THE GOVERNORS OF THE DOMESTIC DIVIDING ENTITY, UNLESS PROHIBITED BY THE PLAN.

(b) IN THE SAME MANNER AS THE PLAN WAS APPROVED.

C. IF A STATEMENT OF DIVISION HAS BEEN DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY, THE PLAN OF DIVISION MAY BE ABANDONED ONLY IF THE STATEMENT OF DIVISION SETS FORTH A DELAYED EFFECTIVE DATE UNDER SECTION 29-2605, SUBSECTION B, PARAGRAPH 4. A PLAN OF DIVISION MAY BE ABANDONED BY DELIVERING FOR FILING WITH THE APPROPRIATE FILING AUTHORITY ON OR BEFORE THAT DELAYED EFFECTIVE DATE A STATEMENT OF ABANDONMENT, SIGNED ON BEHALF OF THE DOMESTIC DIVIDING ENTITY. A STATEMENT OF ABANDONMENT TAKES EFFECT ON DELIVERY FOR FILING, AND THE DIVISION IS ABANDONED AND DOES NOT BECOME EFFECTIVE. THE STATEMENT OF ABANDONMENT MUST CONTAIN ALL OF THE FOLLOWING:

1 1. THE NAME OF THE DOMESTIC DIVIDING ENTITY.
2 2. THE DATE ON WHICH THE STATEMENT OF DIVISION WAS FILED.
3 3. A STATEMENT THAT THE DIVISION HAS BEEN ABANDONED IN ACCORDANCE WITH
4 THIS SECTION.
5 29-2605. Statement of division: effective date
6 A. A STATEMENT OF DIVISION MUST BE SIGNED ON BEHALF OF THE DIVIDING
7 ENTITY. THE STATEMENT OF DIVISION MUST BE DELIVERED FOR FILING EITHER:
8 1. FOR A DIVISION OF A DOMESTIC ENTITY PURSUANT TO SECTION 29-2601,
9 SUBSECTION A, WITH THE APPROPRIATE FILING AUTHORITY, IF ANY, FOR THE DOMESTIC
10 DIVIDING ENTITY AND, IF THERE IS A DIFFERENT FILING AUTHORITY FOR ANY
11 DOMESTIC RESULTING ENTITY, WITH THAT DIFFERENT FILING AUTHORITY.
12 2. FOR A DIVISION OF A FOREIGN ENTITY THAT CREATES ONE OR MORE
13 DOMESTIC ENTITIES PURSUANT TO SECTION 29-2601, SUBSECTION C, WITH THE
14 APPROPRIATE FILING AUTHORITY, IF ANY, FOR A DOMESTIC RESULTING ENTITY AND, IF
15 THERE IS A DIFFERENT FILING AUTHORITY FOR ANY OTHER DOMESTIC RESULTING
16 ENTITY, WITH THE DIFFERENT FILING AUTHORITY.
17 B. A STATEMENT OF DIVISION MUST CONTAIN EACH OF THE FOLLOWING, IF
18 APPLICABLE:
19 1. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF THE DIVIDING
20 ENTITY.
21 2. A STATEMENT AS TO WHETHER THE DIVIDING ENTITY WILL SURVIVE THE
22 DIVISION.
23 3. THE NAME, JURISDICTION OF ORGANIZATION AND TYPE OF EACH RESULTING
24 ENTITY CREATED BY THE DIVISION AND, IF A RESULTING ENTITY IS A DOMESTIC
25 ENTITY, OTHER THAN A GENERAL PARTNERSHIP, OR IS A QUALIFIED FOREIGN ENTITY
26 BOTH OF THE FOLLOWING:
27 (a) THE STREET ADDRESS OF THE RESULTING ENTITY'S KNOWN PLACE OF
28 BUSINESS IN THIS STATE OR, IF THE RESULTING ENTITY IS A DOMESTIC PARTNERSHIP,
29 THE STREET ADDRESS OF ITS OFFICE IN THIS STATE.
30 (b) THE NAME AND STREET ADDRESS OF THE RESULTING ENTITY'S AGENT FOR
31 SERVICE OF PROCESS IN THIS STATE. IF A NEW STATUTORY AGENT IS BEING
32 APPOINTED, THE STATUTORY AGENT MUST SIGN A STATEMENT ACCEPTING THE
33 APPOINTMENT, WHICH MUST BE ATTACHED TO THE STATEMENT OF DIVISION.
34 4. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE DIVISION:
35 (a) IF THE DIVIDING ENTITY OR AT LEAST ONE RESULTING ENTITY IS A
36 DOMESTIC FILING ENTITY AND IF THE STATEMENT OF DIVISION IS NOT TO BE
37 EFFECTIVE ON DELIVERY TO THE APPROPRIATE FILING AUTHORITY, THE LATER DATE AND
38 TIME ON WHICH IT WILL BECOME EFFECTIVE, WHICH MAY NOT BE MORE THAN NINETY
39 DAYS AFTER THE DATE OF ITS DELIVERY TO THE APPROPRIATE FILING AUTHORITY.
40 (b) IF NEITHER THE DIVIDING ENTITY NOR ANY RESULTING ENTITY IS A
41 DOMESTIC FILING ENTITY AND IF THE STATEMENT OF DIVISION IS NOT TO BE
42 EFFECTIVE ON THE SIGNING OF THE STATEMENT OF DIVISION, THE LATER DATE AND
43 TIME ON WHICH IT WILL BECOME EFFECTIVE.
44 5. IF THE DIVIDING ENTITY IS A DOMESTIC ENTITY, A STATEMENT THAT THE
45 PLAN OF DIVISION WAS APPROVED IN ACCORDANCE WITH THIS ARTICLE OR, IF THE

1 DIVIDING ENTITY IS A FOREIGN ENTITY, A STATEMENT THAT THE DIVISION WAS
2 APPROVED BY THE FOREIGN DIVIDING ENTITY IN ACCORDANCE WITH THE LAW OF ITS
3 JURISDICTION OF ORGANIZATION.

4 6. IF THE DIVIDING ENTITY IS A DOMESTIC FILING ENTITY AND SURVIVES THE
5 DIVISION, ANY AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT APPROVED AS
6 PART OF THE PLAN OF DIVISION, AS AN ATTACHMENT, AND THE ATTACHMENT IS DEEMED
7 TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

8 7. FOR EACH DOMESTIC RESULTING ENTITY CREATED BY THE DIVISION, ITS
9 PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, AS AN ATTACHMENT, AND THE ATTACHMENT
10 IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

11 8. FOR EACH FOREIGN RESULTING ENTITY THAT IS REQUIRED TO BE A
12 QUALIFIED FOREIGN ENTITY, ANY DOCUMENTS THAT THE LAWS OF THIS STATE REQUIRE
13 IT TO FILE TO BECOME A QUALIFIED FOREIGN ENTITY, AS AN ATTACHMENT, AND THE
14 ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR
15 FILING.

16 9. FOR EACH FOREIGN RESULTING ENTITY THAT IS NOT REQUIRED TO BE A
17 QUALIFIED FOREIGN ENTITY, A MAILING ADDRESS TO WHICH THE APPROPRIATE FILING
18 AUTHORITY MAY SEND ANY PROCESS SERVED ON THE APPROPRIATE FILING AUTHORITY
19 PURSUANT TO SECTION 29-2606, SUBSECTION E.

20 10. FOR EACH RESULTING ENTITY CREATED BY THE DIVISION THAT IS A
21 DOMESTIC LIMITED LIABILITY PARTNERSHIP, ITS STATEMENT OF QUALIFICATION, AS AN
22 ATTACHMENT, AND THE ATTACHMENT IS DEEMED TO BE DELIVERED TO THE APPROPRIATE
23 FILING AUTHORITY FOR FILING.

24 C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, A
25 STATEMENT OF DIVISION MAY CONTAIN ANY OTHER PROVISION NOT PROHIBITED BY LAW.

26 D. IF A RESULTING ENTITY CREATED IN THE DIVISION IS A DOMESTIC FILING
27 ENTITY, THE AMENDMENT ATTACHED UNDER SUBSECTION B, PARAGRAPH 6 OF THIS
28 SECTION OR ITS PUBLIC ORGANIZATIONAL DOCUMENT ATTACHED UNDER SUBSECTION B,
29 PARAGRAPH 7 OF THIS SECTION:

30 1. MUST SATISFY THE REQUIREMENTS OF THE LAWS OF THIS STATE.

31 2. IS DEEMED TO BE SIGNED BY MEANS OF THE SIGNING OF THE STATEMENT OF
32 DIVISION.

33 3. MAY OMIT ANY PROVISION THAT IS NOT REQUIRED TO BE INCLUDED IN A
34 RESTATEMENT OF THE PUBLIC ORGANIZATIONAL DOCUMENT.

35 E. WITH RESPECT TO A PLAN OF DIVISION THAT IS SIGNED ON BEHALF OF A
36 DOMESTIC DIVIDING ENTITY AND THAT MEETS ALL OF THE REQUIREMENTS OF
37 SUBSECTION B OF THIS SECTION:

38 1. IF THE DIVIDING ENTITY OR AT LEAST ONE RESULTING ENTITY IS A
39 DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN MAY BE
40 DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY INSTEAD OF A
41 STATEMENT OF DIVISION AND, ON FILING, HAS THE SAME EFFECT AS A STATEMENT OF
42 DIVISION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF
43 DIVISION REFER TO THE PLAN OF DIVISION FILED UNDER THIS SUBSECTION.

44 2. IF NEITHER THE DIVIDING ENTITY NOR ANY RESULTING ENTITY IS A
45 DOMESTIC FILING ENTITY, AND IF THE PLAN SO PROVIDES, THE PLAN HAS THE SAME

EFFECT AS A STATEMENT OF DIVISION, IN WHICH CASE ALL REFERENCES IN THIS CHAPTER TO A STATEMENT OF DIVISION REFER TO THE PLAN OF DIVISION.

F. WITH RESPECT TO THE EFFECTIVE DATE AND TIME OF THE DIVISION:

1. IF THE DIVIDING ENTITY OR AT LEAST ONE RESULTING ENTITY IS A DOMESTIC FILING ENTITY, ONCE A STATEMENT OF DIVISION HAS BEEN APPROVED FOR FILING BY THE APPROPRIATE FILING AUTHORITY OR AUTHORITIES, BOTH THE DIVISION AND THE STATEMENT OF DIVISION ARE DEEMED TO HAVE BECOME EFFECTIVE ON THE DATE AND TIME OF THE DELIVERY OF THE STATEMENT OF DIVISION FOR FILING WITH THE APPROPRIATE FILING AUTHORITY OR AUTHORITIES OR, IF APPLICABLE, ON THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF DIVISION.

2. IF NEITHER THE DIVIDING ENTITY NOR ANY RESULTING ENTITY IS A DOMESTIC FILING ENTITY, BOTH THE DIVISION AND THE STATEMENT OF DIVISION ARE EFFECTIVE ON THE SIGNING OF THE STATEMENT OF DIVISION OR, IF APPLICABLE, ON THE LATER DATE AND TIME SPECIFIED IN THE STATEMENT OF DIVISION.

29-2606. Effect of division

A. WHEN A DIVISION BECOMES EFFECTIVE:

1. IF THE DIVIDING ENTITY IS TO SURVIVE THE DIVISION, THE DIVIDING ENTITY CONTINUES TO EXIST.

2. IF THE DIVIDING ENTITY IS NOT TO SURVIVE THE DIVISION, THE DIVIDING ENTITY CEASES TO EXIST.

3. THE RESULTING ENTITIES CREATED IN THE DIVISION COME INTO EXISTENCE.

4. AS AND TO THE EXTENT SPECIFIED IN THE PLAN OF DIVISION, PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND POWERS, OF THE DIVIDING ENTITY IS ALLOCATED TO AND VESTS IN THE RESULTING ENTITIES CREATED IN THE DIVISION OR CONTINUES TO BE VESTED IN THE DIVIDING ENTITY, IN EACH CASE AUTOMATICALLY AND WITHOUT ASSIGNMENT, REVERSION OR IMPAIRMENT.

5. ANY PROPERTY, INCLUDING RIGHTS, PRIVILEGES, IMMUNITIES AND POWERS, NOT ALLOCATED BY THE PLAN OF DIVISION:

(a) IF THE DIVIDING ENTITY SURVIVES THE DIVISION, REMAINS VESTED IN THE DIVIDING ENTITY.

(b) IF THE DIVIDING ENTITY DOES NOT SURVIVE THE DIVISION, IS ALLOCATED TO AND VESTS EQUALLY IN THE RESULTING ENTITIES AS TENANTS IN COMMON, IN EACH CASE AUTOMATICALLY AND WITHOUT ASSIGNMENT, REVERSION OR IMPAIRMENT.

6. ANY PENDING ACTION OR PROCEEDING TO WHICH THE DIVIDING ENTITY IS A PARTY AT THE EFFECTIVE TIME OF THE DIVISION CONTINUES AND THE NAME OF A NEW RESULTING ENTITY TO WHICH A CAUSE OF ACTION IS ALLOCATED AS PROVIDED IN PARAGRAPHS 4 AND 5 OF THIS SUBSECTION MAY BE SUBSTITUTED FOR THE NAME OF THE DIVIDING ENTITY OR ADDED IN THAT ACTION OR PROCEEDING.

7. ALL OBLIGATIONS OF THE DIVIDING ENTITY ARE ALLOCATED BETWEEN OR AMONG THE RESULTING ENTITIES AS PROVIDED IN SECTION 29-2607.

8. IF THE DIVIDING ENTITY SURVIVES THE DIVISION:

(a) ITS PUBLIC ORGANIZATIONAL DOCUMENT, IF ANY, IS AMENDED IF AND TO THE EXTENT PROVIDED IN THE STATEMENT OF DIVISION.

(b) ITS PRIVATE ORGANIZATIONAL DOCUMENTS THAT ARE TO BE IN A RECORD, IF ANY, ARE AMENDED IF AND TO THE EXTENT PROVIDED IN THE PLAN OF DIVISION.

9. THE INTERESTS IN THE DIVIDING ENTITY THAT ARE TO BE CONVERTED IN THE DIVISION ARE CONVERTED AND THE INTEREST HOLDERS OF THOSE INTERESTS ARE ENTITLED ONLY TO THE RIGHTS PROVIDED TO THEM UNDER THE PLAN OF DIVISION AND TO ANY APPRAISAL RIGHTS THEY MAY HAVE UNDER SECTION 29-2109 AND THE DIVIDING ENTITY'S GOVERNING STATUTE.

B. EXCEPT AS PROVIDED IN THE PLAN OF DIVISION OR IN THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DIVIDING ENTITY, THE DIVISION DOES NOT GIVE RISE TO ANY RIGHTS THAT AN INTEREST HOLDER, GOVERNOR OR THIRD PARTY WOULD OTHERWISE HAVE ON A DISSOLUTION, LIQUIDATION OR WINDING UP OF THE DIVIDING ENTITY.

C. WHEN A DIVISION BECOMES EFFECTIVE, A PERSON THAT DID NOT HAVE INTEREST HOLDER LIABILITY WITH RESPECT TO THE DIVIDING ENTITY AND THAT BECOMES SUBJECT TO INTEREST HOLDER LIABILITY WITH RESPECT TO THE DOMESTIC RESULTING ENTITY AS A RESULT OF THE DIVISION HAS INTEREST HOLDER LIABILITY ONLY TO THE EXTENT PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC RESULTING ENTITY, AND THEN ONLY FOR THOSE OBLIGATIONS THAT ARISE AFTER THE DIVISION BECOMES EFFECTIVE.

D. WHEN A DIVISION BECOMES EFFECTIVE, THE INTEREST HOLDER LIABILITY OF A PERSON THAT CEASES TO HOLD AN INTEREST IN A DOMESTIC DIVIDING ENTITY WITH RESPECT TO WHICH THE PERSON HAD INTEREST HOLDER LIABILITY IS AS FOLLOWS:

1. THE DIVISION DOES NOT DISCHARGE ANY INTEREST HOLDER LIABILITY UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DIVIDING ENTITY TO THE EXTENT THE INTEREST HOLDER LIABILITY AROSE BEFORE THE DIVISION BECAME EFFECTIVE.

2. THE PERSON DOES NOT HAVE INTEREST HOLDER LIABILITY UNDER THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DIVIDING ENTITY FOR ANY OBLIGATION THAT ARISES AFTER THE DIVISION BECOMES EFFECTIVE.

3. THE GOVERNING STATUTE AND ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DIVIDING ENTITY CONTINUE TO APPLY TO THE RELEASE, COLLECTION OR DISCHARGE OF ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE DIVISION HAD NOT OCCURRED.

4. THE PERSON HAS THE SAME RIGHTS OF CONTRIBUTION FROM ANY OTHER PERSON AS ARE PROVIDED BY THE GOVERNING STATUTE OR ORGANIZATIONAL DOCUMENTS OF THE DOMESTIC DIVIDING ENTITY WITH RESPECT TO ANY INTEREST HOLDER LIABILITY PRESERVED UNDER PARAGRAPH 1 OF THIS SUBSECTION AS IF THE DIVISION HAD NOT OCCURRED.

E. WHEN A DIVISION BECOMES EFFECTIVE, A FOREIGN ENTITY THAT IS A RESULTING ENTITY:

1. MAY BE SERVED WITH PROCESS IN THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF ANY OBLIGATIONS OF A DOMESTIC DIVIDING ENTITY THAT WERE ALLOCATED TO THE FOREIGN ENTITY PURSUANT TO THIS ARTICLE, INCLUDING OBLIGATIONS ARISING OUT OF THE EXERCISE OF APPRAISAL RIGHTS.

2. IF IT IS NOT A QUALIFIED FOREIGN ENTITY, APPOINTS THE APPROPRIATE FILING AUTHORITY AS ITS AGENT FOR SERVICE OF PROCESS FOR COLLECTING OR ENFORCING THOSE OBLIGATIONS.

F. WHEN A DIVISION BECOMES EFFECTIVE, THE AUTHORITY, REGISTRATION OR OTHER QUALIFICATION GRANTED BY THE APPROPRIATE FILING AUTHORITY TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN THIS STATE OF A FOREIGN DIVIDING ENTITY THAT DOES NOT SURVIVE THE DIVISION IS AUTOMATICALLY REVOKED OR CANCELLED.

G. A PERSON DOES NOT HAVE CONSTRUCTIVE NOTICE OF AN ALLOCATION OF AN INTEREST IN REAL ESTATE IN A DIVISION UNTIL THE ALLOCATION IS RECORDED IN COMPLIANCE WITH THE REQUIREMENTS FOR RECORDING OF INTERESTS IN REAL ESTATE IN THE STATE WHERE THE REAL PROPERTY IS LOCATED.

29-2607. Allocation of obligations in division

A. EXCEPT AS PROVIDED IN SUBSECTIONS B AND C OF THIS SECTION, WHEN A DIVISION BECOMES EFFECTIVE, EACH RESULTING ENTITY IS LIABLE, JOINTLY AND SEVERALLY, WITH THE OTHER RESULTING ENTITIES FOR THE OBLIGATIONS OF THE DIVIDING ENTITY THAT EXISTED IMMEDIATELY BEFORE THE EFFECTIVENESS OF THE DIVISION, AND ALL THOSE OBLIGATIONS OF THE DIVIDING ENTITY ARE AUTOMATICALLY OBLIGATIONS OF EACH RESULTING ENTITY WITHOUT ASSIGNMENT, ASSUMPTION OR DELEGATION.

B. A RESULTING ENTITY IS NOT LIABLE FOR AN OBLIGATION OF THE DIVIDING ENTITY IF AND TO THE EXTENT ANY OF THE FOLLOWING APPLIES:

1. THE OBLIGEE HAS CONSENTED IN WRITING TO THE OBLIGATIONS BEING ALLOCATED TO, OR CONTINUING TO BE THE OBLIGATION OF, ONE OR MORE OF THE OTHER RESULTING ENTITIES AND THE PLAN OF DIVISION STATES THAT THE OBLIGATION IS BEING ALLOCATED TO, OR WILL CONTINUE TO BE THE OBLIGATION OF, THOSE ENTITIES, OR THOSE ENTITIES HAVE OTHERWISE EXPRESSLY ASSUMED THE OBLIGATION.

2. A COURT OR OTHER TRIBUNAL OF COMPETENT JURISDICTION OR A GOVERNMENTAL AGENCY HAVING JURISDICTION AS TO THE MATTER HAS ISSUED AN ORDER, FINDING, RULE, REGULATION OR OTHER RULING THAT HAS BECOME FINAL AND NONAPPEALABLE AND IN WHICH THE OBLIGATION IS DEEMED TO BE ALLOCATED TO, OR TO CONTINUE TO BE THE OBLIGATION OF, ONE OR MORE OF THE OTHER RESULTING ENTITIES.

3. RECOURSE REGARDING THE OBLIGATION IS, BY CONTRACT OR BY LAW, LIMITED TO AN ASSET OF ONE OR MORE OF THE OTHER RESULTING ENTITIES.

4. RECOURSE REGARDING THE OBLIGATION IS, BY CONTRACT OR BY LAW, LIMITED TO ONE OR MORE OF THE OTHER RESULTING ENTITIES.

C. A RESULTING ENTITY MAY ENTER INTO AGREEMENTS OR OTHER ARRANGEMENTS FOR PURPOSES OF MITIGATING RISKS ASSOCIATED WITH THE ENTITY'S LIABILITY FOR AN OBLIGATION OF THE DIVIDING ENTITY. THE AGREEMENTS OR ARRANGEMENTS MAY BE ENTERED INTO WITH ONE OR MORE OF THE OTHER RESULTING ENTITIES OR WITH THIRD PARTIES. THE AGREEMENTS OR ARRANGEMENTS MAY INCLUDE INDEMNIFICATION, CONTRIBUTION, GUARANTY, INSURANCE, OFFSET, LOAN, INVESTMENT AND ANY OTHER LAWFUL MEANS OF DEALING WITH THE RISKS ASSOCIATED WITH THE LIABILITY FOR THE OBLIGATION.

D. UNLESS THE OBLIGEE HAS OTHERWISE AGREED OR CONSENTED, LIENS, SECURITY INTERESTS AND OTHER ENCUMBRANCES ON THE PROPERTY OF THE DIVIDING ENTITY ARE NOT IMPAIRED BY THE DIVISION, REGARDLESS OF WHETHER THAT PROPERTY HAS BECOME THE PROPERTY OF A RESULTING ENTITY THAT IS NOT THE DIVIDING

ENTITY, REGARDLESS OF WHETHER THE DIVIDING ENTITY IS ONE OF THE RESULTING ENTITIES AND REGARDLESS OF ANY OTHERWISE ENFORCEABLE ALLOCATION OF OBLIGATIONS OF THE DIVIDING ENTITY.

E. IF THE DIVIDING ENTITY IS BOUND BY A SECURITY AGREEMENT GOVERNED BY TITLE 47, CHAPTER 9 OR ITS COUNTERPART AS ENACTED IN ANY JURISDICTION AND THE SECURITY AGREEMENT PROVIDES THAT THE SECURITY INTEREST ATTACHES TO AFTER-ACQUIRED COLLATERAL, EACH RESULTING ENTITY IS BOUND BY THE SECURITY AGREEMENT UNLESS THE SECURED PARTY HAS OTHERWISE AGREED OR CONSENTED.

F. FOR PURPOSES OF AND NOTWITHSTANDING ANY PROVISION OF THE GOVERNING STATUTE OF THE DIVIDING ENTITY OR ANY RESULTING ENTITY, THE DIVISION IS DEEMED NOT TO BE A DIVIDEND OR OTHER DISTRIBUTION BY THE DIVIDING ENTITY OR ANY RESULTING ENTITY.

29-2608. Ineffectiveness of division due to law of foreign jurisdiction

A. IF A STATEMENT OF DIVISION IS FILED WITH THE APPROPRIATE FILING AUTHORITY BUT THE DIVISION IS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION AS REQUIRED BY SECTION 29-2601, SUBSECTION B OR C, THE DIVISION IS INEFFECTIVE. A STATEMENT OF INEFFECTIVENESS OF DIVISION MUST BE SIGNED ON BEHALF OF THE ENTITY ON BEHALF OF WHICH THE STATEMENT OF DIVISION WAS SIGNED AND MUST BE DELIVERED FOR FILING WITH THE APPROPRIATE FILING AUTHORITY TO REFLECT THE INEFFECTIVENESS IN THE PUBLIC RECORD.

B. THE STATEMENT OF INEFFECTIVENESS OF DIVISION MUST CONTAIN EACH OF THE FOLLOWING, IF APPLICABLE:

1. THE NAME OF THE ENTITY THAT ATTEMPTED THE DIVISION.
2. THE DATE ON WHICH THE STATEMENT OF DIVISION WAS FILED.
3. A STATEMENT THAT THE DIVISION WAS INEFFECTIVE BECAUSE IT WAS NOT AUTHORIZED BY THE LAW OF THE RELEVANT FOREIGN JURISDICTION.
4. IF ANOTHER ENTITY HAS ADOPTED THE NAME OF THE ENTITY THAT ATTEMPTED THE DIVISION, OR IF ANOTHER PERSON HAS ADOPTED AS A TRADE NAME THE NAME OF THAT ENTITY, THE ENTITY THAT ATTEMPTED THE DIVISION MUST CHANGE ITS NAME BY ATTACHING AN AMENDMENT TO ITS PUBLIC ORGANIZATIONAL DOCUMENT. THE AMENDMENT MUST CHANGE THE NAME OF THE ENTITY IN ACCORDANCE WITH THE NAMING REQUIREMENTS OF ITS GOVERNING STATUTE AND, IF ATTACHED, IS DEEMED TO BE DELIVERED TO THE APPROPRIATE FILING AUTHORITY FOR FILING.

C. THE ENTITY THAT ATTEMPTED THE DIVISION IS BOTH:

1. RESPONSIBLE TO ANY OTHER PERSON FOR ANY OBLIGATION INCURRED BY THAT PERSON THAT ARISES OUT OF OR RELATES TO THE INEFFECTIVENESS OF THE ATTEMPTED DIVISION, UNLESS THE ENTITY ESTABLISHES THAT THE OBLIGATION WAS NOT INCURRED IN GOOD FAITH.
2. DEEMED TO HAVE APPOINTED THE APPROPRIATE FILING AUTHORITY AS ITS AGENT FOR SERVICE OF PROCESS FOR ANY ACTION ARISING UNDER THIS SECTION, UNLESS THE ENTITY IS A DOMESTIC ENTITY OR A QUALIFIED FOREIGN ENTITY.

D. IF THEY WERE ACTING IN GOOD FAITH, THE ENTITY THAT ATTEMPTED THE DIVISION AND ITS INTEREST HOLDERS, GOVERNORS AND OTHER REPRESENTATIVES ARE

1 NOT CIVILLY OR CRIMINALLY LIABLE AND MAY NOT BE FOUND GUILTY IN CONNECTION
2 WITH AN INEFFECTIVE DIVISION UNDER ANY LAW OF THIS STATE PERTAINING TO:

3 1. THE FILING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
4 DOCUMENT.

5 2. THE MAKING OF A FALSE OR OTHERWISE MISLEADING OR INACCURATE
6 STATEMENT.

7 3. ANY SIMILAR MATTER.

8 ARTICLE 7. MISCELLANEOUS PROVISIONS

9 29-2701. Consistency of application

10 IN APPLYING AND CONSTRUING THIS CHAPTER, CONSIDERATION MUST BE GIVEN TO
11 THE NEED TO PROMOTE CONSISTENCY OF THE LAW WITH RESPECT TO ITS SUBJECT MATTER
12 AMONG STATES THAT ENACT SIMILAR LEGISLATION.

13 29-2702. Relation to electronic signatures in global and
14 national commerce act

15 THIS CHAPTER MODIFIES, LIMITS AND SUPERSEDES THE ELECTRONIC SIGNATURES
16 IN GLOBAL AND NATIONAL COMMERCE ACT (P.L. 106-229; 114 STAT. 464; 15 UNITED
17 STATES CODE SECTIONS 7001 THROUGH 7031) BUT DOES NOT MODIFY, LIMIT OR
18 SUPERSEDE 15 UNITED STATES CODE SECTION 7001(c) OR AUTHORIZE ELECTRONIC
19 DELIVERY OF ANY OF THE NOTICES DESCRIBED IN 15 UNITED STATES CODE SECTION
20 7003(b).

21 29-2703. Saving clause

22 THIS CHAPTER DOES NOT AFFECT AN ACTION OR PROCEEDING COMMENCED OR RIGHT
23 ACCRUED BEFORE THE EFFECTIVE DATE OF THIS SECTION.

24 Sec. 65. Effective date

25 This act is effective from and after December 31, 2014.