

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 322
HOUSE BILL 2447

AN ACT

AMENDING SECTIONS 10-130, 10-203, 10-1006, 10-1007, 10-1008, 10-1105, 10-1403, 10-1503, 10-1520, 10-2077, 10-2143, 10-3203, 10-11006, 10-11007, 10-11008, 10-11105, 10-11403, 10-11503, 10-11520, 29-633, 29-635 AND 29-754, ARIZONA REVISED STATUTES; RELATING TO BUSINESS ENTITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 10-130, Arizona Revised Statutes, is amended to
3 read:

4 10-130. Powers; duties; database

5 A. The commission has the power and authority reasonably necessary to
6 enable it to administer this title efficiently and to perform the duties
7 imposed on it by this title, including the power and authority to make rules
8 ~~and regulations~~ for those purposes.

9 B. THE COMMISSION SHALL ESTABLISH AND MAINTAIN A DATABASE FOR
10 DOCUMENTS FILED PURSUANT TO SECTIONS 10-203, 10-1006, 10-1007, 10-1008,
11 10-1105, 10-1403, 10-1503, 10-1520, 10-2077, 10-2143, 10-3203, 10-11006,
12 10-11007, 10-11008, 10-11105, 10-11403, 10-11503, 10-11520, 29-633, 29-635
13 AND 29-754. THE DATABASE SHALL ONLY INCLUDE DOCUMENTS THAT ARE FILED FOR AN
14 ENTITY WITH A KNOWN PLACE OF BUSINESS THAT IS LOCATED IN A COUNTY WITH A
15 POPULATION OF MORE THAN EIGHT HUNDRED THOUSAND PERSONS. THE COMMISSION SHALL
16 POST THE DATABASE ON ITS WEBSITE TO ALLOW THE PUBLIC TO SEARCH FOR BUSINESS
17 INFORMATION, INCLUDING AN ENTITY'S NAME, APPROVAL DATE AND COUNTY OF THE
18 KNOWN PLACE OF BUSINESS. THE INFORMATION MUST BE MAINTAINED IN THE DATABASE
19 FOR AT LEAST NINETY DAYS. THE COMMISSION MAY NOT CHARGE A FEE TO ANY ENTITY
20 FOR INFORMATION ENTERED INTO THE DATABASE PURSUANT TO THIS SUBSECTION.

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

22 10-203. Incorporation

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

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

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

38 D. Within sixty days after the commission approves the filing, **EITHER**
39 **OF THE FOLLOWING MUST OCCUR:**

40 1. A copy of the articles of incorporation shall be published. An
41 affidavit evidencing the publication may be filed with the commission.

42 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
43 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

1 Sec. 3. Section 10-1006, Arizona Revised Statutes, is amended to read:
2 10-1006. Articles of amendment

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

- 5 1. The name of the corporation.
6 2. The text of each amendment adopted.
7 3. If an amendment provides for an exchange, reclassification or
8 cancellation of issued shares, provisions for implementing the amendment if
9 not contained in the amendment itself.

10 4. The date of each amendment's adoption.
11 5. If an amendment was adopted by the incorporators or board of
12 directors without shareholder action, a statement to that effect and that
13 shareholder action was not required.

14 6. If an amendment was approved by the shareholders:
15 (a) The designation of outstanding shares, number of outstanding
16 shares, number of votes entitled to be cast by each voting group entitled to
17 vote separately on the amendment and number of votes of each voting group
18 indisputably represented at the meeting.

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

24 B. Within sixty days after the commission approves the filing, **EITHER**
25 **OF THE FOLLOWING MUST OCCUR:**

26 1. A copy of the articles of amendment shall be published. An
27 affidavit evidencing the publication may be filed with the commission.

28 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
29 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

30 Sec. 4. Section 10-1007, Arizona Revised Statutes, is amended to read:
31 10-1007. Restated articles of incorporation

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

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

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

44 D. A corporation restating its articles of incorporation shall deliver
45 to the commission for filing articles of restatement setting forth the name

1 of the corporation and the text of the restated articles of incorporation
2 together with a certificate setting forth:

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

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

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

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

13 G. Within sixty days after the commission approves the filing, **EITHER**
14 **OF THE FOLLOWING MUST OCCUR:**

15 1. A copy of the articles of restatement shall be published. An
16 affidavit evidencing the publication may be filed with the commission.

17 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
18 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

19 Sec. 5. Section 10-1008, Arizona Revised Statutes, is amended to read:
20 **10-1008. Amendment pursuant to reorganization**

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

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

31 1. The name of the corporation.

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

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

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

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

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

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

1 E. Within sixty days after the commission approves the filing, EITHER
2 OF THE FOLLOWING MUST OCCUR:

3 1. A copy of the articles of amendment shall be published. An
4 affidavit evidencing the publication may be filed with the commission.

5 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
6 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

7 Sec. 6. Section 10-1105, Arizona Revised Statutes, is amended to read:
8 10-1105. Statement of merger or interest exchange; publication
9 or posting

10 Within sixty days after the commission approves the filing of a
11 statement of merger or statement of interest exchange, EITHER OF THE
12 FOLLOWING MUST OCCUR:

13 1. A copy of the statement of merger or statement of interest exchange
14 shall be published. An affidavit evidencing the publication may be filed
15 with the commission.

16 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
17 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

18 Sec. 7. Section 10-1403, Arizona Revised Statutes, is amended to read:
19 10-1403. Articles of dissolution; effective date of dissolution

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

23 1. The name of the corporation.

24 2. The date dissolution was authorized.

25 3. If dissolution was approved by the shareholders, both:

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

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

31 4. If voting by voting groups was required, the information required
32 by paragraph 3 OF THIS SUBSECTION shall be separately provided for each
33 voting group entitled to vote separately on the plan to dissolve.

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

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

43 D. Within sixty days after the commission approves the filing, EITHER
44 OF THE FOLLOWING MUST OCCUR:

45 1. A copy of the articles of dissolution shall be published. An
46 affidavit evidencing the publication may be filed with the commission.

1 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
2 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

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

6 Sec. 8. Section 10-1503, Arizona Revised Statutes, is amended to read:
7 10-1503. Application for authority to transact business

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

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

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

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

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

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

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

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

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

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

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

41 B. The foreign corporation shall deliver the application and the
42 certificate of disclosure to the commission, together with a copy of its
43 articles of incorporation, any amendments to the articles of incorporation
44 and a certificate of existence or a document of similar import duly
45 authenticated by the secretary of state or other official having custody of

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

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

9 D. Within sixty days after the commission approves the filing, **EITHER**
10 **OF THE FOLLOWING MUST OCCUR:**

11 1. A copy of the application shall be published. An affidavit
12 evidencing the publication may be filed with the commission.

13 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
14 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

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

17 Sec. 9. Section 10-1520, Arizona Revised Statutes, is amended to read:
18 10-1520. **Withdrawal of foreign corporation**

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

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

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

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

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

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

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

38 C. The application for withdrawal is not considered complete until the
39 commission has received a notice from the department of revenue to the effect
40 that the tax levied under title 42, chapter 5, article 1 against the foreign
41 corporation has been paid or until it is notified by the department of
42 revenue that the applicant is not subject to the tax and further has received
43 from the department of revenue its certificate issued pursuant to section
44 43-1151.

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

4 E. After determining that the application appears in all respects to
5 conform to the requirements of this chapter and when all fees have been paid
6 as are prescribed in this chapter, the commission shall file the application
7 in the manner provided in section 10-120. On the filing of the application
8 for withdrawal, the authority of the foreign corporation to transact business
9 in this state ceases.

10 F. Within sixty days after the commission approves the filing, **EITHER**
11 **OF THE FOLLOWING MUST OCCUR:**

12 1. A copy of the application for withdrawal shall be published. An
13 affidavit evidencing the publication may be filed with the commission.

14 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
15 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

16 G. After withdrawal of the foreign corporation is effective, service
17 of process on the commission under this section is service on the foreign
18 corporation. On receipt of process, the commission shall mail a copy of the
19 process to the foreign corporation at the most recent mailing address
20 provided by the foreign corporation in the application or by notice to the
21 commission.

22 Sec. 10. Section 10-2077, Arizona Revised Statutes, is amended to
23 read:

24 **10-2077. Dissolution**

25 A. A cooperative ~~which~~ **THAT** has not commenced business may be
26 dissolved by delivering to the corporation commission articles of
27 dissolution, which shall be executed by the cooperative and which shall
28 state:

29 1. The name of the cooperative.

30 2. The address of its principal office.

31 3. That the cooperative has not commenced business.

32 4. That any monies received by the cooperative, less any part
33 disbursed for expenses of the cooperative, have been returned or paid to
34 those entitled to the monies.

35 5. That no debt of the cooperative is unpaid.

36 6. That a majority of the incorporators elect that the cooperative be
37 dissolved.

38 B. A cooperative ~~which~~ **THAT** has commenced business may be dissolved in
39 the following manner:

40 1. The proposition to dissolve shall be submitted to the members of
41 the cooperative at any annual or special meeting, the notice of which shall
42 set forth the proposition.

43 2. The members at the meeting shall approve, by the affirmative vote
44 of not less than a majority of all members of the cooperative, the
45 proposition that the cooperative be dissolved.

- 1 3. ~~Upon~~ ON approval, a certificate of election to dissolve, designated
2 in this subsection as the "certificate", shall be executed by the
3 cooperative.
- 4 4. The certificate shall state:
- 5 (a) The name of the cooperative.
- 6 (b) The address of its principal office.
- 7 (c) That the members of the cooperative have duly voted that the
8 cooperative be dissolved.
- 9 5. The certificate shall be submitted to the corporation commission
10 for filing.
- 11 6. ~~Upon~~ ON filing the certificate with the corporation commission the
12 cooperative shall cease to carry on its business except to the extent
13 necessary for winding up, but its corporate existence shall continue until
14 articles of dissolution have been filed with the corporation commission.
- 15 7. The board of directors shall immediately cause notice of the
16 dissolution proceedings to be mailed to each known creditor of and claimant
17 against the cooperative, and such notice shall be published once a week for
18 two successive weeks in a newspaper of general circulation in the county in
19 which the principal office of the cooperative is located.
- 20 8. The board of directors shall wind up and settle the affairs of the
21 cooperative, collect monies owing to it, liquidate its property and assets,
22 pay and discharge its debts, obligations and liabilities, other than those to
23 patrons arising by reason of their patronage, and do all other things
24 required to wind up its business. After paying or discharging or adequately
25 providing for the payment or discharge of all its debts, obligations and
26 liabilities, other than those to patrons arising by reason of their
27 patronage, the board of directors shall distribute any remaining sums, first
28 to patrons for the pro rata return of all amounts standing to their credit by
29 reason of their patronage, and second to members for the pro rata repayment
30 of membership fees. Any sums then remaining shall be distributed among its
31 members and former members in proportion to their patronage.
- 32 9. The board of directors shall thereupon authorize the execution of
33 articles of dissolution, which shall be executed by the cooperative.
- 34 10. The articles of dissolution shall recite that they are executed
35 pursuant to this article and shall state:
- 36 (a) The name of the cooperative.
- 37 (b) The address of its principal office.
- 38 (c) The date on which the certificate of election to dissolve was
39 filed by the corporation commission.
- 40 (d) That there are no actions or suits pending against the
41 cooperative.
- 42 (e) That all debts, obligations and liabilities of the cooperative
43 have been paid and discharged or that adequate provision has been made for
44 payment and discharge.
- 45 (f) That the preceding provisions of this subsection have been duly
46 complied with.

1 11. The articles of dissolution prepared pursuant to paragraph 10 of
2 this subsection shall be delivered to the CORPORATION commission for filing.
3 Within sixty days after the CORPORATION commission approves the filing,
4 EITHER OF THE FOLLOWING MUST OCCUR:

5 (a) A copy of the articles of dissolution shall be published. An
6 affidavit evidencing the publication may be filed with the CORPORATION
7 commission.

8 (b) THE CORPORATION COMMISSION SHALL INPUT THE INFORMATION REGARDING
9 THE APPROVAL INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

10 Sec. 11. Section 10-2143, Arizona Revised Statutes, is amended to
11 read:

12 10-2143. Dissolution

13 A. A generation and transmission cooperative that has not commenced
14 business may dissolve voluntarily by delivering to the corporation commission
15 articles of dissolution, executed and acknowledged on behalf of the
16 generation and transmission cooperative by a majority of the incorporators,
17 which shall state:

- 18 1. The name of the generation and transmission cooperative.
- 19 2. The address of its principal office.
- 20 3. The date of its incorporation.
- 21 4. That the generation and transmission cooperative has not commenced
22 business.
- 23 5. That the amount, if any, actually paid in on account of membership
24 fees, less any part disbursed for necessary expenses, has been returned to
25 those entitled and that all easements have been released to the grantors.
- 26 6. That no debt of the generation and transmission cooperative remains
27 unpaid.
- 28 7. That a majority of the incorporators elect that the generation and
29 transmission cooperative be dissolved. The articles of dissolution shall be
30 submitted to the corporation commission for filing as provided in this
31 article.

32 B. A generation and transmission cooperative that has commenced
33 business may dissolve voluntarily and wind up its affairs in the following
34 manner:

35 1. The proposition that the generation and transmission cooperative be
36 dissolved must be submitted to the members of the generation and transmission
37 cooperative at any meeting. The meeting notice shall state the proposition.
38 The proposed voluntary dissolution is deemed to be approved on the
39 affirmative vote of not less than two-thirds of those members acting through
40 their voting delegates voting at the meeting.

41 2. On approval, a certificate of election to dissolve, designated the
42 "certificate", shall be executed by the generation and transmission
43 cooperative. The certificate shall be submitted to the corporation
44 commission for filing as provided in this article and shall state:

- 45 (a) The name of the generation and transmission cooperative.
- 46 (b) The address of its principal office.

1 (c) The names and addresses of its directors.

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

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

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

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

29 6. When all debts, liabilities and obligations of the generation and
30 transmission cooperative have been paid and discharged or adequate provision
31 has been made for them, and all the remaining property and assets of the
32 generation and transmission cooperative have been distributed to the members
33 pursuant to this section, the board of directors shall authorize the
34 execution of articles of dissolution. The articles of dissolution shall
35 state:

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

37 (b) The address of the principal office of the generation and
38 transmission cooperative.

39 (c) That the generation and transmission cooperative has previously
40 delivered to the corporation commission a certificate of election to dissolve
41 and the date on which the certificate was filed by the corporation
42 commission.

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

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

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

6 7. The articles of dissolution prepared pursuant to paragraph 6 of
7 this subsection shall be delivered to the CORPORATION commission for filing.
8 Within sixty days after the CORPORATION commission approves the filing,
9 EITHER OF THE FOLLOWING MUST OCCUR:

10 (a) A copy of the articles of dissolution shall be published. An
11 affidavit evidencing the publication may be filed with the CORPORATION
12 commission.

13 (b) THE CORPORATION COMMISSION SHALL INPUT THE INFORMATION REGARDING
14 THE APPROVAL INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

15 Sec. 12. Section 10-3203, Arizona Revised Statutes, is amended to
16 read:

17 10-3203. Incorporation

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

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

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

33 D. Within sixty days after the commission approves the filing, EITHER
34 OF THE FOLLOWING MUST OCCUR:

35 1. A copy of the articles of incorporation shall be published. An
36 affidavit evidencing the publication may be filed with the commission.

37 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
38 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

39 Sec. 13. Section 10-11006, Arizona Revised Statutes, is amended to
40 read:

41 10-11006. Articles of amendment

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

- 44 1. The name of the corporation.
- 45 2. The text of each amendment adopted.
- 46 3. The date of each amendment's adoption.

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

4 B. Within sixty days after the commission approves the filing, **EITHER**
5 **OF THE FOLLOWING MUST OCCUR:**

6 1. A copy of the articles of amendment shall be published. An
7 affidavit evidencing the publication may be filed with the commission.

8 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
9 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

10 Sec. 14. Section 10-11007, Arizona Revised Statutes, is amended to
11 read:

12 10-11007. Restated articles of incorporation

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

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

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

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

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

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

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

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

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

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

4 H. Within sixty days after the commission approves the filing, EITHER
5 OF THE FOLLOWING MUST OCCUR:

6 1. A copy of the articles of restatement shall be published. An
7 affidavit evidencing the publication may be filed with the commission.

8 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
9 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

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

12 10-11008. Amendment pursuant to reorganization

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

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

23 1. The name of the corporation.

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

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

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

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

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

35 D. Within sixty days after the commission approves the filing, EITHER
36 OF THE FOLLOWING MUST OCCUR:

37 1. A copy of the articles of amendment shall be published. An
38 affidavit evidencing the publication may be filed with the commission.

39 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
40 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

41 Sec. 16. Section 10-11105, Arizona Revised Statutes, is amended to
42 read:

43 10-11105. Statement of merger or interest exchange; publication
44 or posting

45 Within sixty days after the commission approves the filing, EITHER OF
46 THE FOLLOWING MUST OCCUR:

1 1. A copy of the statement of merger or interest exchange shall be
2 published. An affidavit evidencing the publication may be filed with the
3 commission.

4 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
5 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

6 Sec. 17. Section 10-11403, Arizona Revised Statutes, is amended to
7 read:

8 10-11403. Articles of dissolution

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

12 1. The name of the corporation.

13 2. The date dissolution was authorized.

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

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

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

22 D. Within sixty days after the commission approves the filing, **EITHER**
23 **OF THE FOLLOWING MUST OCCUR:**

24 1. A copy of the articles of dissolution shall be published. An
25 affidavit evidencing the publication may be filed with the commission.

26 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
27 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

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

35 Sec. 18. Section 10-11503, Arizona Revised Statutes, is amended to
36 read:

37 10-11503. Application for certificate of authority

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

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

- 1 2. The name of the state or country under whose law it is
2 incorporated.
- 3 3. Its date of incorporation and period of duration.
- 4 4. The street address of its principal office in its state or country
5 of incorporation.
- 6 5. The street address of the proposed known place of business of the
7 corporation in this state and the name and street address of its proposed
8 statutory agent in this state.
- 9 6. If its purpose or purposes are narrower than the transaction of any
10 or all lawful affairs in which corporations may engage in the state or
11 country under whose law it is incorporated, a statement of the limitations on
12 its purpose.
- 13 7. The names and usual business addresses of its current directors and
14 officers.
- 15 8. Whether the foreign corporation has members.
- 16 9. A brief statement of the character of business that the corporation
17 initially intends actually to conduct in this state. This statement does not
18 limit the character of business that the corporation ultimately conducts.
- 19 B. The foreign corporation shall deliver the application and the
20 certificate of disclosure to the commission, together with a copy of its
21 articles of incorporation, any amendments to the articles of incorporation
22 and a certificate of existence or a document of similar import duly
23 authenticated by the secretary of state or other official having custody of
24 corporate records in the state or country under whose law it is incorporated,
25 and the nonrefundable fees required by law.
- 26 C. After determining that the application sets forth the information
27 required by this section, does not use as the name of the corporation in this
28 state a name that is in violation of section 10-11506 and appears in all
29 other respects to conform to the requirements of this article, the commission
30 shall file the application. The date of filing shall be the date on which
31 the corporation is granted authority to transact business in this state.
- 32 D. Within sixty days after the commission approves the filing, **EITHER**
33 **OF THE FOLLOWING MUST OCCUR:**
- 34 1. A copy of the application shall be published. An affidavit
35 evidencing the publication may be filed with the commission.
- 36 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
37 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**
- 38 E. A foreign corporation authorized to transact business in this state
39 is subject to section 10-11623.
- 40 Sec. 19. Section 10-11520, Arizona Revised Statutes, is amended to
41 read:
- 42 10-11520. Withdrawal of foreign corporation
- 43 A. A foreign corporation authorized to conduct affairs in this state
44 shall not withdraw from this state until the commission files its application
45 for withdrawal.

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

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

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

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

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

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

17 C. The application for withdrawal is not considered complete until the
18 commission has received a notice from the department of revenue to the effect
19 that the tax levied under title 42, chapter 5, article 1 against the foreign
20 corporation has been paid or until it is notified by the department of
21 revenue that the applicant is not subject to the tax and further has received
22 from the department of revenue its certificate issued pursuant to section
23 43-1151.

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

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

33 F. Within sixty days after the commission approves the filing, **EITHER**
34 **OF THE FOLLOWING MUST OCCUR:**

35 1. A copy of the application for withdrawal shall be published. An
36 affidavit evidencing the publication may be filed with the commission.

37 2. **THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL**
38 **INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.**

39 G. After the withdrawal of the corporation is effective, service of
40 process on the commission under this section is service on the foreign
41 corporation. On receipt of process, the commission shall mail a copy of the
42 process to the foreign corporation at the mailing address set forth in its
43 application for withdrawal.

44 Sec. 20. Section 29-633, Arizona Revised Statutes, is amended to read:

45 29-633. Amendment of articles of organization; restatement;
46 publication or posting

1 A. The articles of organization of a limited liability company are
2 amended by filing with the commission the articles of amendment, signed on
3 behalf of the limited liability company by a manager if management of the
4 limited liability company is vested in one or more managers or by a member if
5 management of the limited liability company is reserved to the members. The
6 articles of amendment shall set forth:

- 7 1. The name of the limited liability company.
- 8 2. The text of the amendment to the articles of organization.

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

- 13 1. Any arrangements or facts have changed making the articles of
14 organization inaccurate in any respect other than those changes required to
15 be set forth in a statement delivered to the commission pursuant to section
16 29-605.
- 17 2. Management of the limited liability company is reserved to the
18 members and there is a change in the persons who are members.

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

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

- 29 1. Change the name of the limited liability company.
- 30 2. Change, enlarge or diminish the purposes of the limited liability
31 company.
- 32 3. If management is reserved to the members of a limited liability
33 company, vest management of the limited liability company in one or more
34 managers.
- 35 4. If management is vested in one or more managers, vest management of
36 the limited liability company in the members.

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

44 E. A limited liability company that has not amended its articles of
45 organization as required by this section may not maintain an action ~~upon~~ ON
46 or on account of a contract or transaction made in the name of the limited

1 liability company in any court of this state until it has first amended its
2 articles of organization as required by this section. No person has any
3 liability because an amendment to articles of organization has not been filed
4 to reflect the occurrence of any event prescribed by subsection B of this
5 section if the amendment is filed within the thirty-day period specified in
6 subsection B of this section.

7 F. Within sixty days after the commission approves the filing, EITHER
8 OF THE FOLLOWING MUST OCCUR:

9 1. A copy of the articles of amendment or restated articles of
10 organization shall be published in a newspaper of general circulation in the
11 county of the known place of business for three consecutive publications. An
12 affidavit evidencing publication may be filed with the commission.

13 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
14 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

15 G. Publication OR POSTING PURSUANT TO SUBSECTION F OF THIS SECTION is
16 not required if amendments to the articles of organization or restated
17 articles of organization only change any of the following:

- 18 1. The name or address of members or managers.
- 19 2. The known place of business address.
- 20 3. The name or address of the statutory agent.

21 Sec. 21. Section 29-635, Arizona Revised Statutes, is amended to read:
22 29-635. Formation of limited liability company

23 A. Except as provided in section 29-634, subsection D, a limited
24 liability company is formed when the articles of organization are delivered
25 to the commission for filing, even if the commission is unable to make the
26 determination required for filing by section 29-634, subsection A at the time
27 of delivery. If the articles of organization, as delivered to the
28 commission, do not conform to the filing provisions of this chapter and are
29 not brought into conformance within the time period prescribed by section
30 29-634, subsection C, paragraph 2, the existence of the limited liability
31 company terminates at the end of the time period.

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

41 C. Within sixty days after the commission approves the filing, EITHER
42 OF THE FOLLOWING MUST OCCUR:

43 1. There shall be published in a newspaper of general circulation in
44 the county of the known place of business, for three consecutive
45 publications, a notice of the filing of such articles of organization
46 consisting of the information required in section 29-632, subsection A,

1 paragraphs 1, 2, 3, 5 and 6. An affidavit evidencing publication may be
2 filed with the commission.

3 2. THE COMMISSION SHALL INPUT THE INFORMATION REGARDING THE APPROVAL
4 INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130.

5 Sec. 22. Section 29-754, Arizona Revised Statutes, is amended to read:
6 29-754. Statement of merger or other transaction; publication
7 or posting

8 A. A statement of merger, conversion, domestication or division shall
9 serve as articles of termination for a domestic limited liability company
10 that is not the surviving or resulting business entity in a transaction.

11 B. If a statement of merger includes amendments to the articles of
12 organization of a domestic limited liability company, the document shall be
13 published as provided in section 29-633 OR THE COMMISSION SHALL INPUT THE
14 INFORMATION INTO THE DATABASE AS PRESCRIBED BY SECTION 10-130. The document
15 required to be filed and published OR POSTED shall be styled "statement of
16 merger".

17 Sec. 23. Effective date

18 This act is effective from and after December 31, 2016.

APPROVED BY THE GOVERNOR MAY 17, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 18, 2016.