

State of Arizona
House of Representatives
Fifty-fourth Legislature
Second Regular Session
2020

HOUSE BILL 2351

AN ACT

AMENDING SECTIONS 32-2101 AND 32-2122, ARIZONA REVISED STATUTES; RELATING
TO REAL ESTATE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 32-2101, Arizona Revised Statutes, is amended to
3 read:

4 32-2101. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Acting in concert" means evidence of collaborating to pursue a
7 concerted plan.

8 2. "Advertising" means the attempt by publication, dissemination,
9 exhibition, solicitation or circulation, oral or written, or for broadcast
10 on radio or television to induce directly or indirectly any person to
11 enter into any obligation or acquire any title or interest in lands
12 subject to this chapter, including the land sales contract to be used and
13 any photographs, drawings or artist's presentations of physical conditions
14 or facilities existing or to exist on the property. Advertising does not
15 include:

16 (a) Press releases or other communications delivered to newspapers,
17 periodicals or other news media for general information or public
18 relations purposes if no charge is made by the newspapers, periodicals or
19 other news media for the publication or use of any part of these
20 communications.

21 (b) Communications to stockholders as follows:

22 (i) Annual reports and interim financial reports.

23 (ii) Proxy materials.

24 (iii) Registration statements.

25 (iv) Securities prospectuses.

26 (v) Applications for listing of securities on stock exchanges.

27 (vi) Prospectuses.

28 (vii) Property reports.

29 (viii) Offering statements.

30 3. "Affiliate" means a person who, directly or indirectly through
31 one or more intermediaries, controls, is controlled by or is under common
32 control with the person specified.

33 4. "Associate broker" means a licensed broker who is employed by
34 another broker. Unless otherwise specifically provided, an associate
35 broker has the same license privileges as a salesperson.

36 5. "Barrier" means a natural or man-made geographical feature that
37 prevents parcels of land from being practicably, reasonably and
38 economically united or reunited and that was not caused or created by the
39 owner of the parcels.

40 6. "Blanket encumbrance" means any mortgage, any deed of trust or
41 any other encumbrance or lien securing or evidencing the payment of money
42 and affecting more than one lot or parcel of subdivided land, or an
43 agreement affecting more than one lot or parcel by which the subdivider
44 holds the subdivision under an option, contract to sell or trust

1 agreement. Blanket encumbrance does not include taxes and assessments
2 that are levied by public authority.

3 7. "Board" means the state real estate advisory board.

4 8. "Broker", when used without modification, means a person who is
5 licensed as a broker under this chapter or who is required to be licensed
6 as a broker under this chapter.

7 9. "Business broker" means a real estate broker who acts as an
8 intermediary or agent between sellers or buyers, or both, in the sale or
9 purchase, or both, of businesses or business opportunities where a lease
10 or sale of real property is either a direct or incidental part of the
11 transaction.

12 10. "Camping site" means a space that is designed and promoted for
13 the purpose of locating any trailer, tent, tent trailer, pickup camper or
14 other similar device used for camping.

15 11. "Cemetery" or "cemetery property" means any one, or a
16 combination of more than one, of the following in a place that is used, or
17 intended to be used, and dedicated for cemetery purposes:

18 (a) A burial park, for earth interments.

19 (b) A mausoleum, for crypt or vault entombments.

20 (c) A crematory, or a crematory and columbarium, for cinerary
21 interments.

22 (d) A cemetery plot, including interment rights, mausoleum crypts,
23 niches and burial spaces.

24 12. "Cemetery broker" means a person other than a real estate broker
25 or real estate salesperson who, for another, for compensation:

26 (a) Sells, leases or exchanges cemetery property or interment
27 services of or for another, or on the person's own account.

28 (b) Offers for another or for the person's own account to buy,
29 sell, lease or exchange cemetery property or interment services.

30 (c) Negotiates the purchase and sale, lease or exchange of cemetery
31 property or interment services.

32 (d) Negotiates the purchase or sale, lease or exchange, or lists or
33 solicits, or negotiates a loan on or leasing of cemetery property or
34 interment services.

35 13. "Cemetery salesperson" means a natural person who acts on the
36 person's own behalf or through and on behalf of a professional limited
37 liability company or a professional corporation engaged by or on behalf of
38 a licensed cemetery or real estate broker, or through and on behalf of a
39 corporation, partnership or limited liability company that is licensed as
40 a cemetery or real estate broker, to perform any act or transaction
41 included in the definition of cemetery broker.

42 14. "Commissioner" means the state real estate commissioner.

43 15. "Common promotional plan" means a plan, undertaken by a person
44 or a group of persons acting in concert, to offer lots for sale or lease.
45 If the land is offered for sale by a person or group of persons acting in

1 concert, and the land is contiguous or is known, designated or advertised
2 as a common unit or by a common name, the land is presumed, without regard
3 to the number of lots covered by each individual offering, as being
4 offered for sale or lease as part of a common promotional plan. Separate
5 subdividers selling lots or parcels in separately platted subdivisions
6 within a master planned community shall not be deemed to be offering their
7 combined lots for sale or lease as part of a common promotional plan.

8 16. "Compensation" means any fee, commission, salary, money or other
9 valuable consideration for services rendered or to be rendered as well as
10 the promise of consideration whether contingent or not.

11 17. "Contiguous" means lots, parcels or fractional interests that
12 share a common boundary or point. Lots, parcels or fractional interests
13 are not contiguous if they are separated by either of the following:

14 (a) A barrier.

15 (b) A road, street or highway that has been established by this
16 state or by any agency or political subdivision of this state, that has
17 been designated by the federal government as an interstate highway or that
18 has been regularly maintained by this state or by any agency or political
19 subdivision of this state and has been used continuously by the public for
20 at least the last five years.

21 18. "Control" or "controlled" means a person who, through ownership,
22 voting rights, power of attorney, proxy, management rights, operational
23 rights or other rights, has the right to make decisions binding on an
24 entity, whether a corporation, a partnership or any other entity.

25 19. "Corporation licensee" means a lawfully organized corporation
26 that is registered with the Arizona corporation commission and that has an
27 officer licensed as the designated broker pursuant to section 32-2125.

28 20. "Department" means the state real estate department.

29 21. "Designated broker" means the natural person who is licensed as
30 a broker under this chapter and who is either:

31 (a) Designated to act on behalf of an employing real estate,
32 cemetery or membership camping entity.

33 (b) Doing business as a sole proprietor.

34 22. "Developer" means a person who offers real property in a
35 development for sale, lease or use, either immediately or in the future,
36 on the person's own behalf or on behalf of another person, under this
37 chapter. Developer does not include a person whose involvement with a
38 development is limited to the listing of property within the development
39 for sale, lease or use.

40 23. "Development" means any division, proposed division or use of
41 real property that the department has authority to regulate, including
42 subdivided and unsubdivided lands, cemeteries, condominiums, timeshares,
43 membership campgrounds and stock cooperatives.

44 24. "Employing broker" means a person who is licensed or is required
45 to be licensed as a:

1 (a) Broker entity pursuant to section 32-2125, subsection A.

2 (b) Sole proprietorship if the sole proprietor is a broker licensed
3 pursuant to this chapter.

4 25. "Fractional interest" means an undivided interest in improved or
5 unimproved land, lots or parcels of any size created for the purpose of
6 sale or lease and evidenced by any receipt, certificate, deed or other
7 document conveying the interest. Undivided interests in land, lots or
8 parcels created in the names of a husband and wife as community property,
9 joint tenants or tenants in common, or in the names of other persons who,
10 acting together as part of a single transaction, acquire the interests
11 without a purpose to divide the interests for present or future sale or
12 lease shall be deemed to constitute only one fractional interest.

13 26. "Improved lot or parcel" means a lot or parcel of a subdivision
14 on which ~~lot or parcel~~ there is a residential, commercial or industrial
15 building or concerning which a contract has been entered into between a
16 subdivider and a purchaser that obligates the subdivider directly, or
17 indirectly through a building contractor, to ~~complete construction of~~
18 COMPLETELY CONSTRUCT a residential, commercial or industrial building on
19 the lot or parcel within two years ~~from~~ AFTER the date on which the
20 contract of sale for the lot is entered into.

21 27. "Inactive license" means a license that is issued pursuant to
22 article 2 of this chapter to a licensee who is on inactive status during
23 the current license period and who is not engaged by or on behalf of a
24 broker.

25 28. "Lease" or "leasing" includes any lease, whether it is the sole,
26 the principal or any incidental part of a transaction.

27 29. "License" means the whole or part of any agency permit,
28 certificate, approval, registration, public report, charter or similar
29 form of permission required by this chapter.

30 30. "Licensee" means a person to whom a license for the current
31 license period has been granted under any provision of this chapter, and,
32 for THE purposes of section 32-2153, subsection A, ~~shall include~~ INCLUDES
33 original license applicants.

34 31. "License period" means the two-year period beginning with the
35 date of original issue or renewal of a particular license and ending on
36 the expiration date, if any.

37 32. "Limited liability company licensee" means a lawfully organized
38 limited liability company that has a member or manager who is a natural
39 person and who is licensed as the designated broker pursuant to section
40 32-2125.

41 33. "Lot reservation" means an expression of interest by a
42 prospective purchaser in buying at some time in the future a subdivided or
43 unsubdivided lot, unit or parcel in this state. In all cases, a
44 subsequent affirmative action by the prospective purchaser must be taken
45 to create a contractual obligation to purchase.

1 34. "Master planned community" means a development that consists of
2 two or more separately platted subdivisions and that is either subject to
3 a master declaration of covenants, conditions or restrictions, is subject
4 to restrictive covenants sufficiently uniform in character to clearly
5 indicate a general scheme for ~~improvement~~ IMPROVING or ~~development of~~
6 DEVELOPING real property or is governed or administered by a master
7 owner's association.

8 35. "Member" means a member of the real estate advisory board.

9 36. "Membership camping broker" means a person, other than a
10 salesperson, who, for compensation:

11 (a) Sells, purchases, lists, exchanges or leases membership camping
12 contracts.

13 (b) Offers to sell, purchase, exchange or lease membership camping
14 contracts.

15 (c) Negotiates or offers, attempts or agrees to negotiate the sale,
16 purchase, exchange or lease of membership camping contracts.

17 (d) Advertises or holds himself out as being engaged in the
18 business of selling, buying, exchanging or leasing membership camping
19 contracts or counseling or advising regarding membership camping
20 contracts.

21 (e) Assists or directs in ~~the~~ procuring ~~of~~ prospects calculated or
22 intended to result in the sale, purchase, listing, exchange or lease of
23 membership camping contracts.

24 (f) Performs any of the foregoing acts as an employee or on behalf
25 of a membership camping operator or membership contract owner.

26 37. "Membership camping contract" means an agreement that is offered
27 or sold in this state evidencing a purchaser's right or license to use the
28 camping or outdoor recreation facilities of a membership camping operator
29 and includes a membership that provides for this use.

30 38. "Membership camping operator" means an enterprise, other than
31 one that is tax exempt under section 501(c)(3) of the internal revenue
32 code of 1986, as amended, that solicits membership paid for by a fee or
33 periodic payments and has as one of its purposes camping or outdoor
34 recreation, including the use of camping sites primarily by members.
35 Membership camping operator does not include camping or recreational
36 trailer parks that are open to the general public and that contain camping
37 sites rented for a per use fee or a mobile home park.

38 39. "Membership camping salesperson" means a natural person who acts
39 on the person's own behalf or through and on behalf of a professional
40 limited liability company or a professional corporation engaged by or on
41 behalf of a licensed membership camping or real estate broker, or by or on
42 behalf of a corporation, partnership or limited liability company that is
43 licensed as a membership camping or real estate broker, to perform any act
44 or participate in any transaction in a manner included in the definition
45 of membership camping broker.

1 40. "Online course" means prelicensure education that is a planned
2 learning experience with a geographic separation that may be synchronous
3 or asynchronous, that does not require real-time interaction between a
4 student and an instructor and that uses a platform with self-paced or
5 prerecorded lessons and materials that a student can access via the
6 internet to proceed at the student's own pace.

7 41. "Partnership licensee" means a partnership with a managing
8 general partner who is licensed as the designated broker pursuant to
9 section 32-2125.

10 42. "Permanent access", as required under article 4 of this chapter,
11 means permanent access from the subdivision to any federal, state or
12 county highway.

13 43. "Perpetual care" or "endowed care" means ~~the maintenance~~
14 MAINTAINING and ~~care of~~ CARING, IN all places where interments have been
15 made, ~~of~~ FOR the trees, shrubs, roads, streets and other improvements and
16 embellishments contained within or forming a part of the cemetery but does
17 not include ~~the maintenance~~ MAINTAINING or ~~repair of~~ REPAIRING monuments,
18 tombs, copings or other man-made ornaments as associated with individual
19 burial spaces.

20 44. "Perpetual or endowed-care cemetery" means a cemetery ~~wherein~~ IN
21 WHICH lots or other burial spaces are sold or transferred under the
22 representation that the cemetery will receive perpetual care or endowed
23 care free of further cost to the purchaser after payment of the original
24 purchase price for the lot, burial space or interment right.

25 45. "Person" means any individual, corporation, partnership or
26 company and any other form of multiple organization for carrying on
27 business, foreign or domestic.

28 46. "Private cemetery" means a cemetery or place that is not
29 licensed under article 6 of this chapter, where burials or interments of
30 human remains are made, in which sales or transfers of interment rights or
31 burial plots are not made to the public and in which not more than ten
32 interments or burials occur annually.

33 47. "Promotion" or "promotional practice" means advertising and any
34 other act, practice, device or scheme to induce directly or indirectly any
35 person to enter into any obligation or acquire any title or interest in or
36 use of real property subject to this chapter, including meetings with
37 prospective purchasers, arrangements for prospective purchasers to visit
38 real property, travel allowances and discount, exchange, refund and
39 cancellation privileges.

40 48. "Real estate" includes leasehold-interests and any estates in
41 land as defined in title 33, chapter 2, articles 1 and 2, regardless of
42 whether located in this state.

43 49. "Real estate broker" means a person, other than a salesperson,
44 who, for another and for compensation:

- 1 (a) Sells, exchanges, purchases, rents or leases real estate,
2 businesses and business opportunities or timeshare interests.
- 3 (b) Offers to sell, exchange, purchase, rent or lease real estate,
4 businesses and business opportunities or timeshare interests.
- 5 (c) Negotiates or offers, attempts or agrees to negotiate the sale,
6 exchange, purchase, rental or leasing of real estate, businesses and
7 business opportunities or timeshare interests.
- 8 (d) Lists or offers, attempts or agrees to list real estate,
9 businesses and business opportunities or timeshare interests for sale,
10 lease or exchange.
- 11 (e) Auctions or offers, attempts or agrees to auction real estate,
12 businesses and business opportunities or timeshare interests.
- 13 (f) Buys, sells, offers to buy or sell or otherwise deals in
14 options on real estate, businesses and business opportunities or timeshare
15 interests or improvements to real estate, businesses and business
16 opportunities or timeshare interests.
- 17 (g) Collects or offers, attempts or agrees to collect rent for the
18 use of real estate, businesses and business opportunities or timeshare
19 interests. THIS SUBDIVISION DOES NOT APPLY TO A PERSON WHO IS NOT A
20 LICENSEE, WHO WORKS FOR A REAL ESTATE BROKER OR A REAL ESTATE SALESPERSON,
21 WHO COLLECTS IN-PERSON RENT AND RELATED FEES ON BEHALF OF THE REAL ESTATE
22 BROKER OR REAL ESTATE SALESPERSON FOR THE USE OF REAL ESTATE AS PART OF
23 THE PERSON'S CLERICAL DUTIES AND WHO PROVIDES A RECEIPT UPON PAYMENT.
- 24 (h) Advertises or holds himself out as being engaged in the
25 business of buying, selling, exchanging, renting or leasing real estate,
26 businesses and business opportunities or timeshare interests or counseling
27 or advising regarding real estate, businesses and business opportunities
28 or timeshare interests.
- 29 (i) Assists or directs in ~~the procuring of prospects,~~ THAT ARE
30 calculated to result in the sale, exchange, leasing or rental of real
31 estate, businesses and business opportunities or timeshare interests.
- 32 (j) Assists or directs in ~~the negotiation of~~ NEGOTIATING any
33 transaction calculated or intended to result in the sale, exchange,
34 leasing or rental of real estate, businesses and business opportunities or
35 timeshare interests.
- 36 (k) Incident to the sale of real estate, businesses and business
37 opportunities negotiates or offers, attempts or agrees to negotiate a loan
38 secured or to be secured by any mortgage or other encumbrance on or
39 transfer of real estate, businesses and business opportunities or
40 timeshare interests subject to section 32-2155, subsection C. This
41 subdivision does not apply to mortgage brokers as defined in and subject
42 to title 6, chapter 9, article 1.
- 43 (l) Engages in the business of assisting or offering to assist
44 another in filing an application for the purchase or lease of, or in
45 locating or entering on, lands owned by the state or federal government.

1 (m) Claims, demands, charges, receives, collects or contracts ~~for~~
2 ~~the collection of~~ TO COLLECT an advance fee in connection with any
3 employment enumerated in this section, including employment undertaken to
4 promote the sale or lease of real property by advance fee listing, by
5 furnishing rental information to a prospective tenant for a fee paid by
6 the prospective tenant, by advertisement or by any other offering to sell,
7 lease, exchange or rent real property or selling kits connected therewith.
8 This shall not include the activities of any communications media of
9 general circulation or coverage not primarily engaged in the advertisement
10 of real estate or any communications media activities that are
11 specifically exempt from applicability of this article under section
12 32-2121.

13 (n) Engages in any of the acts listed in subdivisions (a) through
14 (m) of this paragraph for the sale or lease of other than real property if
15 a real property sale or lease is a part of, contingent on or ancillary to
16 the transaction.

17 (o) Performs any of the acts listed in subdivisions (a) through (m)
18 of this paragraph as an employee of, or in behalf of, the owner of real
19 estate, or interest in the real estate, or improvements affixed on the
20 real estate, for compensation.

21 (p) Acts as a business broker.

22 50. "Real estate sales contract" means an agreement in which one
23 party agrees to convey title to real estate to another party on the
24 satisfaction of specified conditions set forth in the contract.

25 51. "Real estate salesperson" means a natural person who acts on the
26 person's own behalf or through and on behalf of a professional limited
27 liability company or a professional corporation engaged by or on behalf of
28 a licensed real estate broker, or by or on behalf of a limited liability
29 company, partnership or corporation that is licensed as a real estate
30 broker, to perform any act or participate in any transaction in a manner
31 included in the definition of real estate broker subject to section
32 32-2155.

33 52. "Sale" or "lease" includes every disposition, transfer, option
34 or offer or attempt to dispose of or transfer real property, or an
35 interest, use or estate in the real property, including ~~the offering of~~
36 the property as a prize or gift if a monetary charge or consideration for
37 whatever purpose is required.

38 53. "Salesperson", when used without modification, means a natural
39 person who acts on the person's own behalf or through and on behalf of a
40 professional limited liability company or a professional corporation
41 licensed under this chapter or any person required to be licensed as a
42 salesperson under this chapter.

43 54. "School" means a person or entity that offers a course of study
44 towards completion of the education requirements leading to licensure or
45 renewal of licensure under this chapter.

1 55. "Stock cooperative" means a corporation to which all of the
2 following apply:

3 (a) The corporation is formed or used to hold title to improved
4 real property in fee simple or for a term of years.

5 (b) All or substantially all of the shareholders of the corporation
6 each receive a right of exclusive occupancy in a portion of the real
7 property to which the corporation holds title.

8 (c) The right of occupancy may only be transferred with the
9 concurrent transfer of the shares of stock in the corporation held by the
10 person having the right of occupancy.

11 56. "Subdivider" means any person who offers for sale or lease six
12 or more lots, parcels or fractional interests in a subdivision or who
13 causes land to be subdivided into a subdivision for the subdivider or for
14 others, or who undertakes to develop a subdivision, but does not include a
15 public agency or officer authorized by law to create subdivisions.

16 57. "Subdivision" or "subdivided lands":

17 (a) Means improved or unimproved land or lands divided or proposed
18 to be divided for the purpose of sale or lease, whether immediate or
19 future, into six or more lots, parcels or fractional interests.

20 (b) Includes a stock cooperative, lands divided or proposed to be
21 divided as part of a common promotional plan and residential condominiums
22 as defined in title 33, chapter 9.

23 (c) Does not include:

24 (i) Leasehold offerings of one year or less.

25 (ii) The division or proposed division of land located in this
26 state into lots or parcels each of which is or will be thirty-six acres or
27 more in area including to the centerline of dedicated roads or easements,
28 if any, contiguous to the lot or parcel.

29 (iii) The leasing of agricultural lands or apartments, offices,
30 stores, hotels, motels, pads or similar space within an apartment
31 building, industrial building, rental recreational vehicle community,
32 rental manufactured home community, rental mobile home park or commercial
33 building.

34 (iv) The subdivision into or development of parcels, plots or
35 fractional portions within the boundaries of a cemetery that has been
36 formed and approved pursuant to this chapter.

37 (v) A sale or lease of a lot, parcel or fractional interest that
38 occurs ten or more years after the sale or lease of another lot, parcel or
39 fractional interest if the other lot, parcel or fractional interest is not
40 subject to this article and is treated as an independent parcel unless, on
41 investigation by the commissioner, there is evidence of intent to
42 subdivide.

43 58. "Timeshare" or "timeshare property" means real property
44 ownership or right of occupancy in real property pursuant to article 9 of
45 this chapter. For the purposes of this chapter, a timeshare is not a

1 security unless it meets the definition of a security under section
2 44-1801.

3 59. "Trustee" means:

4 (a) A person who is designated under section 32-2194.27 to act as a
5 trustee for an endowment-care cemetery fund.

6 (b) A person holding bare legal title to real property under a
7 subdivision trust. A trustee shall not be deemed to be a developer,
8 subdivider, broker or salesperson within this chapter.

9 60. "Unimproved lot or parcel" means a lot or parcel of a
10 subdivision that is not an improved lot or parcel.

11 61. "Unsubdivided lands":

12 (a) Means land or lands divided or proposed to be divided for the
13 purpose of sale or lease, whether immediate or future, into six or more
14 lots, parcels or fractional interests and the lots or parcels are
15 thirty-six acres or more each but less than one hundred sixty acres each,
16 or that are offered, known or advertised under a common promotional plan
17 for sale or lease, except that agricultural leases shall not be included
18 in this definition.

19 (b) Includes any land that is sold AND that would otherwise
20 constitute the sixth lot, parcel or fractional interest if the sale occurs
21 ten or more years after the earliest of the previous five sales and if all
22 of the sales consist of property that was originally contained within the
23 same parcel that is thirty-six acres or more and less than one hundred
24 sixty acres.

25 Sec. 2. Section 32-2122, Arizona Revised Statutes, is amended to
26 read:

27 32-2122. License required of brokers and salespersons

28 A. This article applies to any person acting in the capacity of a:

- 29 1. Real estate broker.
- 30 2. Real estate salesperson.
- 31 3. Cemetery broker.
- 32 4. Cemetery salesperson.
- 33 5. Membership camping broker.
- 34 6. Membership camping salesperson.

35 B. It ~~shall be~~ IS unlawful for any person, corporation, partnership
36 or limited liability company to engage in any business, occupation or
37 activity listed in subsection A OF THIS SECTION without first obtaining a
38 license as prescribed in this chapter and otherwise complying with ~~the~~
39 ~~provisions of~~ this chapter.

40 C. A person, corporation, partnership or limited liability company
41 that is licensed as a salesperson or broker pursuant to this article or
42 that is engaging in any work for which a license is required under this
43 article is subject to the requirements of this chapter in ~~the performance~~
44 ~~of~~ PERFORMING any acts included in the definition of a broker unless
45 otherwise provided in this chapter.

1 D. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, any act, in
2 consideration or expectation of compensation, ~~which~~ THAT is included in
3 the definition of a real estate BROKER, cemetery BROKER or membership
4 camping broker, whether the act is an incidental part of a transaction or
5 the entire transaction, constitutes the person offering or attempting to
6 perform the act of a real estate broker or real estate salesperson, a
7 cemetery broker or cemetery salesperson or a membership camping broker or
8 a membership camping salesperson within the meaning of this chapter. A
9 PERSON WHO IS NOT A LICENSEE MAY COLLECT IN-PERSON RENT AND RELATED FEES
10 FOR THE USE OF REAL ESTATE AS PART OF THE PERSON'S CLERICAL DUTIES IF THE
11 PERSON WORKS FOR A LICENSEE, THE RENT COLLECTION IS ON BEHALF OF THE
12 LICENSEE AND A RECEIPT IS PROVIDED UPON PAYMENT.