

SENATE BILL NO. 338—COMMITTEE ON JUDICIARY

MARCH 24, 2005

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning business associations. (BDR 7-728)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to business associations; providing that business associations may designate a delayed effective date for certain documents filed with the Secretary of State; revising the provisions governing voting rights and the use of proxies; clarifying the provisions governing the treatment of fractional shares of stock under certain circumstances; clarifying the procedures pertaining to dissenters' rights under certain circumstances; providing that business associations must staff their registered offices during business hours; revising the provisions governing the adoption of fictitious names by business associations and natural persons; enacting provisions governing securitization transactions; revising various other provisions concerning business associations; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 78.037 is hereby amended to read as follows:
2 78.037 The articles of incorporation may also contain any
3 provision, not contrary to the laws of this State:
4 1. For the management of the business and for the conduct of
5 the affairs of the corporation;
6 2. Creating, defining, limiting or regulating the powers of the
7 corporation or the rights, powers or duties of the directors, the



1 officers or the stockholders, or any class of the stockholders, or the
2 holders of bonds or other obligations of the corporation; ~~for~~

3 3. Governing the distribution or division of the profits of the
4 corporation ~~is~~; or

5 *4. Providing that the commencement of corporate existence*
6 *will become effective upon a date specified in the articles that:*

7 *(a) Is later than the date the articles are filed with the*
8 *Secretary of State; and*

9 *(b) Must not be more than 90 days after the articles are filed.*

10 **Sec. 2.** NRS 78.050 is hereby amended to read as follows:

11 78.050 1. Upon the filing of the articles of incorporation and
12 the certificate of acceptance pursuant to NRS 78.030, and the
13 payment of the filing fees, the Secretary of State shall issue to the
14 corporation a certificate that the articles, containing the required
15 statement of facts, have been filed. From the date the articles are
16 filed ~~is~~ *or upon a later date specified in the articles*, the
17 corporation is a body corporate, by the name set forth in the articles
18 of incorporation, subject to the forfeiture of its charter or dissolution
19 as provided in this chapter.

20 2. Neither an incorporator nor a director designated in the
21 articles of incorporation thereby becomes a subscriber or
22 stockholder of the corporation.

23 3. The filing of the articles of incorporation does not, by itself,
24 constitute commencement of business by the corporation.

25 **Sec. 3.** NRS 78.120 is hereby amended to read as follows:

26 78.120 1. Subject only to such limitations as may be
27 provided by this chapter, or the articles of incorporation of the
28 corporation, the board of directors has full control over the affairs of
29 the corporation.

30 2. Except as otherwise provided in this subsection and subject
31 to the bylaws, if any, adopted by the stockholders, the directors may
32 make the bylaws of the corporation. Unless otherwise prohibited by
33 any bylaw adopted by the stockholders, the directors may adopt,
34 amend or repeal any bylaw, including any bylaw adopted by the
35 stockholders. The articles of incorporation may grant the authority
36 to adopt, *amend or repeal* bylaws exclusively to the directors.

37 3. The selection of a period for the achievement of corporate
38 goals is the responsibility of the directors.

39 **Sec. 4.** NRS 78.1955 is hereby amended to read as follows:

40 78.1955 1. If the voting powers, designations, preferences,
41 limitations, restrictions and relative rights of any class or series of
42 stock have been established by a resolution of the board of directors
43 pursuant to a provision in the articles of incorporation, a certificate
44 of designation setting forth the resolution must be signed by an
45 officer of the corporation and filed with the Secretary of State. A



1 certificate of designation signed and filed pursuant to this section
2 must become effective before the issuance of any shares of the class
3 or series.

4 2. Unless otherwise provided in the articles of incorporation or
5 the certificate of designation being amended, if no shares of a class
6 or series of stock established by a resolution of the board of
7 directors have been issued, the designation of the class or series, the
8 number of the class or series and the voting powers, designations,
9 preferences, limitations, restrictions and relative rights of the class
10 or series may be amended by a resolution of the board of directors
11 pursuant to a certificate of amendment filed in the manner provided
12 in subsection 4.

13 3. Unless otherwise provided in the articles of incorporation or
14 the certificate of designation, if shares of a class or series of stock
15 established by a resolution of the board of directors have been
16 issued, the designation of the class or series, the number of the class
17 or series and the voting powers, designations, preferences,
18 limitations, restrictions and relative rights of the class or series may
19 be amended by a resolution of the board of directors only if the
20 amendment is approved as provided in this subsection. Unless
21 otherwise provided in the articles of incorporation or the certificate
22 of designation, the proposed amendment adopted by the board of
23 directors must be approved by the vote of stockholders holding
24 shares in the corporation entitling them to exercise a majority of the
25 voting power, or such greater proportion of the voting power as may
26 be required by the articles of incorporation or the certificate of
27 designation, of:

28 (a) The class or series of stock being amended; and

29 (b) Each class and each series of stock which, before
30 amendment, is senior to the class or series being amended as to the
31 payment of distributions upon dissolution of the corporation,
32 regardless of any limitations or restrictions on the voting power of
33 that class or series.

34 4. A certificate of amendment to a certificate of designation
35 must be signed by an officer of the corporation and filed with the
36 Secretary of State and must:

37 (a) Set forth the original designation and the new designation, if
38 the designation of the class or series is being amended;

39 (b) State that no shares of the class or series have been issued or
40 state that the approval of the stockholders required pursuant to
41 subsection 3 has been obtained; and

42 (c) Set forth the amendment to the class or series or set forth the
43 designation of the class or series, the number of the class or series
44 and the voting powers, designations, preferences, limitations,
45 restrictions and relative rights of the class or series, as amended.



5. A certificate filed pursuant to subsection 1 or 4 ~~[becomes]~~ *is* effective upon filing *the certificate* with the Secretary of State or upon a later date specified in the certificate, which must not be ~~[later]~~ *more* than 90 days after the certificate is filed.

6. If shares of a class or series of stock established by a certificate of designation are not outstanding, the corporation may file a certificate which states that no shares of the class or series are outstanding and which contains the resolution of the board of directors authorizing the withdrawal of the certificate of designation establishing the class or series of stock. The certificate must be signed by an officer of the corporation and filed with the Secretary of State. Upon filing the certificate and payment of the fee required pursuant to NRS 78.765, all matters contained in the certificate of designation regarding the class or series of stock are eliminated from the articles of incorporation.

7. NRS 78.380, 78.385 and 78.390 do not apply to certificates of amendment filed pursuant to this section.

Sec. 5. NRS 78.205 is hereby amended to read as follows:

78.205 1. A corporation is not obligated to but may sign and deliver a certificate for or including a fraction of a share.

2. In lieu of signing and delivering a certificate for a fraction of a share, a corporation may:

(a) Pay to any person otherwise entitled to become a holder of a fraction of a share ~~[-~~:

~~—— (1) The appraised value of that share if the appraisal was properly demanded pursuant to this chapter or chapter 92A of NRS; or~~

~~—— (2) If no appraisal was demanded or an appraisal was not properly demanded,]~~ an amount in cash *based on a per share value, and that value or the method of determining that value must be* specified ~~[for that purpose as the value of the fraction]~~ in the articles, plan of reorganization, plan of merger or exchange, resolution of the board of directors, or other instrument pursuant to which the fractional share would otherwise be issued ; ~~[-, or, if not specified, then as may be determined for that purpose by the board of directors of the issuing corporation;]~~

(b) Issue such additional fraction of a share as is necessary to increase the fractional share to a full share; or

(c) Sign and deliver registered or bearer scrip over the manual or facsimile signature of an officer of the corporation or of its agent for that purpose, exchangeable as provided on the scrip for full share certificates, but the scrip does not entitle the holder to any rights as a stockholder except as provided on the scrip. The scrip may provide that it becomes void unless the rights of the holders are exercised within a specified period and may contain any other provisions or



conditions that the corporation deems advisable. Whenever any scrip ceases to be exchangeable for full share certificates, the shares that would otherwise have been issuable as provided on the scrip are deemed to be treasury shares unless the scrip contains other provisions for their disposition.

3. ~~[The provisions of this section do not prevent a person who holds a fractional share from disputing the appraised value of a share pursuant to NRS 92A.300 to 92A.500, inclusive, if the person is otherwise entitled to exercise such rights.]~~ *Any proposed corporate action that would result in money or scrip being delivered instead of fractional shares to stockholders who:*

(a) Before the proposed corporate action becomes effective, hold 1 percent or more of the outstanding shares of the affected class or series; and

(b) Would otherwise be entitled to receive fractions of shares in exchange for the cancellation of all their outstanding shares, ➤ is subject to the provisions of NRS 92A.300 to 92A.500, inclusive. If the proposed corporate action is subject to those provisions, any stockholder who is obligated to accept money or scrip rather than receive a fraction of a share resulting from the action taken pursuant to this section may dissent in accordance with the provisions of NRS 92A.300 to 92A.500, inclusive, and obtain payment of the fair value of the fraction of a share to which the stockholder would otherwise be entitled.

Sec. 6. NRS 78.209 is hereby amended to read as follows:

78.209 1. A change pursuant to NRS 78.207 is not effective until after the filing in the Office of the Secretary of State of a certificate, signed by an officer of the corporation, setting forth:

(a) The current number of authorized shares and the par value, if any, of each class or series, if any, of shares before the change;

(b) The number of authorized shares and the par value, if any, of each class or series, if any, of shares after the change;

(c) The number of shares of each affected class or series, if any, to be issued after the change in exchange for each issued share of the same class or series;

(d) The provisions, if any, for the issuance of fractional shares, or for the payment of money or the issuance of scrip to stockholders otherwise entitled to a fraction of a share and the percentage of outstanding shares affected thereby; and

(e) That any required approval of the stockholders has been obtained.

➤ The provisions in the articles of incorporation of the corporation regarding the authorized number and par value, if any, of the changed class or series, if any, of shares shall be deemed amended



1 as provided in the certificate at the effective date and time of the
2 change.

3 2. Unless an increase or decrease of the number of authorized
4 shares pursuant to NRS 78.207 is accomplished by an action that
5 otherwise requires an amendment to the articles of incorporation of
6 the corporation, such an amendment is not required by that section.

7 3. A certificate filed pursuant to subsection 1 ~~becomes~~ *is*
8 effective upon filing *the certificate* with the Secretary of State or
9 upon a later date specified in the certificate, which must not be
10 ~~later~~ *more* than 90 days after the certificate is filed.

11 4. If a certificate filed pursuant to subsection 1 specifies an
12 effective date, the board of directors may terminate the effectiveness
13 of the certificate by resolution. A certificate of termination must:

14 (a) Be filed with the Secretary of State before the effective date
15 specified in the certificate filed pursuant to subsection 1;

16 (b) Identify the certificate being terminated;

17 (c) State that the effectiveness of the certificate has been
18 terminated;

19 (d) Be signed by an officer of the corporation; and

20 (e) Be accompanied by the fee required pursuant to NRS 78.765.

21 **Sec. 7.** NRS 78.211 is hereby amended to read as follows:

22 78.211 1. The board of directors may authorize shares to be
23 issued for consideration consisting of any tangible or intangible
24 property or benefit to the corporation, including, but not limited to,
25 cash, promissory notes, services performed, contracts for services to
26 be performed or other securities of the corporation. The judgment of
27 the board of directors as to the consideration received for the shares
28 issued is conclusive in the absence of actual fraud in the transaction.

29 2. When the corporation receives the consideration for which
30 the board of directors authorized the issuance of shares, the shares
31 issued therefor are fully paid.

32 3. The corporation may place in escrow shares issued for a
33 contract for future services or benefits or a promissory note, or make
34 any other arrangements to restrict the transfer of the shares. The
35 corporation may credit distributions made for the shares against
36 their purchase price, until the services are performed, the benefits
37 are received or the promissory note is paid. If the services are not
38 performed, the benefits are not received or the promissory note is
39 not paid, the shares escrowed or restricted and the distributions
40 credited may be cancelled in whole or in part.

41 *4. For the purposes of this section, "benefit to the*
42 *corporation" includes, without limitation, the authorization of the*
43 *issuance of shares to up to 100 persons without consideration for*
44 *the sole purpose of qualifying the corporation as a real estate*
45 *investment trust pursuant to 26 U.S.C. §§ 856 et seq., as amended,*



or any successor provision, and any regulations adopted pursuant thereto.

Sec. 8. NRS 78.242 is hereby amended to read as follows:

78.242 1. Subject to the limitation imposed by NRS 104.8204, a written restriction on the transfer or registration of transfer of the stock of a corporation, if permitted by this section, may be enforced against the holder of the restricted stock or any successor or transferee of the holder, including an executor, administrator, trustee, guardian or other fiduciary entrusted with like responsibility for the person or estate of the holder.

2. A restriction on the transfer or registration of transfer of the stock of a corporation may be imposed by the articles of incorporation or by the bylaws or by an agreement among any number of stockholders or between one or more stockholders and the corporation. No restriction so imposed is binding with respect to stocks issued before the adoption of the restriction unless the stockholders are parties to an agreement or voted in favor of the restriction.

3. A restriction on the transfer or the registration of transfer of shares is valid and enforceable against the transferee of the stockholder if the restriction is not prohibited by other law and its existence is noted conspicuously on the front or back of the stock certificate or is contained in the statement of information required by NRS 78.235. Unless so noted, a restriction is not enforceable against a person without knowledge of the restriction.

4. A restriction on the transfer or registration of transfer of stock of a corporation is permitted, without limitation by this enumeration, if it:

(a) Obligates the stockholder first to offer to the corporation or to any other stockholder or stockholders of the corporation or to any other person or persons or to any combination of the foregoing a prior opportunity, to be exercised within a reasonable time, to acquire the stock;

(b) Obligates the corporation or any holder of stock of the corporation or any other person or any combination of the foregoing to purchase stock which is the subject of an agreement respecting the purchase and sale of the stock;

(c) Requires the corporation or any stockholder or stockholders to consent to any proposed transfer of the stock or to approve the proposed transferee of stock;

(d) Prohibits the transfer of the stock to designated persons or classes of persons, and such designation is not manifestly unreasonable; or

(e) Prohibits the transfer of stock:



(1) To maintain the corporation's status when it is dependent on the number or identity of its stockholders;

(2) To preserve exemptions under federal or state laws governing taxes or securities ~~§~~, *including, without limitation, the qualification of the corporation as a real estate investment trust pursuant to 26 U.S.C. §§ 856 et seq., as amended, or any successor provision, and any regulations adopted pursuant thereto;* or

(3) For any other reasonable purpose.

5. For the purposes of this section, "stock" includes a security convertible into or carrying a right to subscribe for or to acquire stock.

Sec. 9. NRS 78.350 is hereby amended to read as follows:

78.350 1. Unless otherwise provided in the articles of incorporation, or in the resolution providing for the issuance of the stock adopted by the board of directors pursuant to authority expressly vested in it by the provisions of the articles of incorporation, every stockholder of record of a corporation is entitled at each meeting of stockholders thereof to one vote for each share of stock standing in his name on the records of the corporation. If the articles of incorporation, or the resolution providing for the issuance of the stock adopted by the board of directors pursuant to authority expressly vested in it by the articles of incorporation, provides for more or less than one vote per share for any class or series of shares on any matter, every reference in this chapter to a majority or other proportion of stock shall be deemed to refer to a majority or other proportion of the voting power of all of the shares or those classes or series of shares, as may be required by the articles of incorporation, or in the resolution providing for the issuance of the stock adopted by the board of directors pursuant to authority expressly vested in it by the provisions of the articles of incorporation, or the provisions of this chapter.

2. Unless a period of more than 60 days or a period of less than 10 days is prescribed or fixed in the articles of incorporation, the directors may prescribe a period not exceeding 60 days before any meeting of the stockholders during which no transfer of stock on the books of the corporation may be made, or may fix, in advance, a record date not more than 60 or less than 10 days before the date of any such meeting as the date as of which stockholders entitled to notice of and to vote at such meetings must be determined. Only stockholders of record on that date are entitled to notice or to vote at such a meeting. If a record date is not fixed, the record date is at the close of business on the day before the day on which the first notice is given or, if notice is waived, at the close of business on the day before the meeting is held. A determination of stockholders of



1 record entitled to notice of or to vote at a meeting of stockholders
2 applies to an adjournment of the meeting unless the board of
3 directors fixes a new record date for the adjourned meeting. The
4 board of directors must fix a new record date if the meeting is
5 adjourned to a date more than 60 days later than the date set for the
6 original meeting.

7 3. The board of directors may adopt a resolution prescribing a
8 date upon which the stockholders of record entitled to give written
9 consent pursuant to NRS 78.320 must be determined. The date
10 prescribed by the board of directors may not precede or be more
11 than 10 days after the date the resolution is adopted by the board of
12 directors. If the board of directors does not adopt a resolution
13 prescribing a date upon which the stockholders of record entitled to
14 give written consent pursuant to NRS 78.320 must be determined
15 and:

16 (a) No prior action by the board of directors is required by this
17 chapter ~~[H]~~ *or chapter 92A of NRS before the matter is submitted*
18 *for consideration by the stockholders*, the date is the first date on
19 which a valid, written consent is delivered in accordance with the
20 provisions of NRS 78.320.

21 (b) Prior action by the board of directors is required by this
22 chapter ~~[H]~~ *or chapter 92A of NRS before the matter is submitted*
23 *for consideration by the stockholders*, the date is at the close of
24 business on the day the board of directors adopts the resolution.

25 4. The provisions of this section do not restrict the directors
26 from taking action to protect the interests of the corporation and its
27 stockholders, including, but not limited to, adopting or signing
28 plans, arrangements or instruments that deny rights, privileges,
29 power or authority to a holder or holders of a specified number of
30 shares or percentage of share ownership or voting power.

31 **Sec. 10.** NRS 78.355 is hereby amended to read as follows:

32 78.355 1. At any meeting of the stockholders of any
33 corporation any stockholder may designate another person or
34 persons to act as a proxy or proxies. If any stockholder designates
35 two or more persons to act as proxies, a majority of those persons
36 present at the meeting, or, if only one is present, then that one has
37 and may exercise all of the powers conferred by the stockholder
38 upon all of the persons so designated unless the stockholder
39 provides otherwise.

40 2. Without limiting the manner in which a stockholder may
41 authorize another person or persons to act for him as proxy pursuant
42 to subsection 1, the following constitute valid means by which a
43 stockholder may grant such authority:



1 (a) A stockholder may sign a writing authorizing another person
2 or persons to act for him as proxy. The proxy may be limited to
3 action on designated matters.

4 (b) A stockholder may authorize another person or persons to
5 act for him as proxy by transmitting or authorizing the transmission
6 of an electronic record to the person who will be the holder of the
7 proxy or to a firm which solicits proxies or like agent who is
8 authorized by the person who will be the holder of the proxy to
9 receive the transmission. Any such electronic record must either set
10 forth or be submitted with information from which it can be
11 determined that the electronic record was authorized by the
12 stockholder. If it is determined that the electronic record is valid, the
13 persons appointed by the corporation to count the votes of
14 stockholders and determine the validity of proxies and ballots or
15 other persons making those determinations must specify the
16 information upon which they relied.

17 3. Any copy, communication by electronic transmission or
18 other reliable reproduction of the record created pursuant to
19 subsection 2 may be substituted for the original record for any
20 purpose for which the original record could be used, if the copy,
21 communication by electronic transmission or other reproduction is a
22 complete reproduction of the entire original record.

23 4. Except as otherwise provided in subsection 5, no such proxy
24 is valid after the expiration of 6 months from the date of its creation
25 unless the stockholder specifies in it the length of time for which it
26 is to continue in force, which may not exceed 7 years from the date
27 of its creation. Subject to these restrictions, any proxy properly
28 created is not revoked and continues in full force and effect until
29 ~~{another}~~:

30 (a) *Another* instrument or transmission revoking it or a properly
31 created proxy bearing a later date is filed with or transmitted to the
32 secretary of the corporation or another person or persons appointed
33 by the corporation to count the votes of stockholders and determine
34 the validity of proxies and ballots ~~{-}~~; or

35 (b) *A stockholder revokes the proxy by attending the meeting*
36 *and voting the stockholder's shares in person. In such an event,*
37 *any vote cast by the person or persons designated by the*
38 *stockholder to act as a proxy or proxies must be disregarded by the*
39 *corporation when the votes are counted.*

40 5. A proxy shall be deemed irrevocable if the written
41 authorization states that the proxy is irrevocable ~~{and,}~~, *but is*
42 *irrevocable* only for as long as it is coupled with an interest
43 sufficient in law to support an irrevocable power, ~~{such-as}~~
44 *including, without limitation,* the appointment as proxy of a
45 pledgee, a person who purchased or agreed to purchase the shares, a



1 creditor of the corporation who extended it credit under terms
2 requiring the appointment, an employee of the corporation whose
3 employment contract requires the appointment or a party to a voting
4 agreement created pursuant to subsection 3 of NRS 78.365. ~~[A]~~
5 *Unless otherwise provided in the proxy, a* proxy made irrevocable
6 pursuant to this subsection is revoked when the interest with which
7 it is coupled is extinguished ~~[I]~~, *but the corporation may honor the*
8 *proxy until notice of the extinguishment of the proxy is received by*
9 *the corporation.* A transferee for value of shares subject to an
10 irrevocable proxy may revoke the proxy if he did not know of its
11 existence when he acquired the shares and the existence of the
12 irrevocable appointment was not noted conspicuously on the
13 certificate representing the shares or on the information statement
14 for shares without certificates.

15 *6. If any stockholder subject to a properly created irrevocable*
16 *proxy attends any meeting of the stockholders for which the*
17 *authorization grants authority to act on the stockholder's behalf at*
18 *the meeting to a proxy or proxies, unless expressly otherwise*
19 *provided in the written authorization or electronic record:*

20 *(a) Only the proxy or proxies may have and exercise all the*
21 *powers of the stockholder at the meeting; and*

22 *(b) Only a vote of the proxy or proxies may be regarded by the*
23 *corporation when the votes are counted.*

24 **Sec. 11.** NRS 78.380 is hereby amended to read as follows:

25 78.380 1. At least two-thirds of the incorporators or of the
26 board of directors of any corporation, if no voting stock of the
27 corporation has been issued, may amend the articles of
28 incorporation of the corporation by signing and filing with the
29 Secretary of State a certificate amending, modifying, changing or
30 altering the articles, in whole or in part. The certificate must state
31 that:

32 (a) The signers thereof are at least two-thirds of the
33 incorporators or of the board of directors of the corporation, and
34 state the name of the corporation; and

35 (b) As of the date of the certificate, no voting stock of the
36 corporation has been issued.

37 2. A certificate filed pursuant to this section is effective upon
38 filing the certificate with the Secretary of State or upon a later date
39 specified in the certificate, which must not be ~~[later]~~ *more* than 90
40 days after the certificate is filed.

41 3. If a certificate specifies an effective date and if no voting
42 stock of the corporation has been issued, the board of directors may
43 terminate the effectiveness of a certificate by filing a certificate of
44 termination with the Secretary of State that:

45 (a) Identifies the certificate being terminated;



(b) States that no voting stock of the corporation has been issued;

(c) States that the effectiveness of the certificate has been terminated;

(d) Is signed by at least two-thirds of the board of directors of the corporation; and

(e) Is accompanied by the fee required pursuant to NRS 78.765.

4. This section does not permit the insertion of any matter not in conformity with this chapter.

Sec. 12. NRS 78.390 is hereby amended to read as follows:

78.390 1. Every amendment to the articles of incorporation must be made in the following manner:

(a) The board of directors must adopt a resolution setting forth the amendment proposed and either call a special meeting of the stockholders entitled to vote on the amendment or direct that the proposed amendment be considered at the next annual meeting of the stockholders entitled to vote on the amendment.

(b) At the meeting, of which notice must be given to each stockholder entitled to vote pursuant to the provisions of this section, a vote of the stockholders entitled to vote in person or by proxy must be taken for and against the proposed amendment. If it appears upon the canvassing of the votes that stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, as provided in subsections 2 and 4, or as may be required by the provisions of the articles of incorporation, have voted in favor of the amendment, an officer of the corporation shall sign a certificate setting forth the amendment, or setting forth the articles of incorporation as amended, and the vote by which the amendment was adopted.

(c) The certificate so signed must be filed with the Secretary of State.

2. Except as otherwise provided in this subsection, if any proposed amendment would adversely alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series adversely affected by the amendment regardless of limitations or restrictions on the voting power thereof. The amendment does not have to be approved by the vote of the holders of shares representing a majority of the voting power of each class or series whose preference or rights are adversely affected by the



1 amendment if the articles of incorporation specifically deny the right
2 to vote on such an amendment.

3 3. Provision may be made in the articles of incorporation
4 requiring, in the case of any specified amendments, a larger
5 proportion of the voting power of stockholders than that required by
6 this section.

7 4. Different series of the same class of shares do not constitute
8 different classes of shares for the purpose of voting by classes
9 except when the series is adversely affected by an amendment in a
10 different manner than other series of the same class.

11 5. The resolution of the stockholders approving the proposed
12 amendment may provide that at any time before the effective date of
13 the amendment, notwithstanding approval of the proposed
14 amendment by the stockholders, the board of directors may, by
15 resolution, abandon the proposed amendment without further action
16 by the stockholders.

17 6. A certificate filed pursuant to subsection 1 ~~{becomes}~~ *is*
18 effective upon filing *the certificate* with the Secretary of State or
19 upon a later date specified in the certificate, which must not be
20 ~~{later}~~ *more* than 90 days after the certificate is filed.

21 7. If a certificate filed pursuant to subsection 1 specifies an
22 effective date and if the resolution of the stockholders approving the
23 proposed amendment provides that the board of directors may
24 abandon the proposed amendment pursuant to subsection 5, the
25 board of directors may terminate the effectiveness of the certificate
26 by resolution and by filing a certificate of termination with the
27 Secretary of State that:

28 (a) Is filed before the effective date specified in the certificate
29 filed pursuant to subsection 1;

30 (b) Identifies the certificate being terminated;

31 (c) States that, pursuant to the resolution of the stockholders, the
32 board of directors is authorized to terminate the effectiveness of the
33 certificate;

34 (d) States that the effectiveness of the certificate has been
35 terminated;

36 (e) Is signed by an officer of the corporation; and

37 (f) Is accompanied by a filing fee of \$175.

38 **Sec. 13.** NRS 78.403 is hereby amended to read as follows:

39 78.403 1. A corporation may restate, or amend and restate, in
40 a single certificate the entire text of its articles of incorporation as
41 amended by filing with the Secretary of State a certificate in the
42 manner provided in this section. If the certificate alters or amends
43 the articles in any manner, it must comply with the provisions of
44 NRS 78.380, 78.385 and 78.390, as applicable.



2. If the certificate does not alter or amend the articles, it must be signed by an officer of the corporation and state that he has been authorized to sign the certificate by resolution of the board of directors adopted on the date stated, and that the certificate correctly sets forth the text of the articles of incorporation as amended to the date of the certificate.

3. The following may be omitted from the restated articles:

(a) The names, addresses, signatures and acknowledgments of the incorporators;

(b) The names and addresses of the members of the past and present boards of directors; and

(c) The name and address of the resident agent.

4. Whenever a corporation is required to file a certified copy of its articles, in lieu thereof it may file a certified copy of the most recent certificate restating its articles as amended, subject to the provisions of subsection 2, together with certified copies of all certificates of amendment filed subsequent to the restated articles and certified copies of all certificates supplementary to the original articles.

5. A certificate filed pursuant to this section is effective upon filing the certificate with the Secretary of State or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed.

Sec. 14. NRS 78.580 is hereby amended to read as follows:

78.580 1. If the board of directors of any corporation organized under this chapter, after the issuance of stock or the beginning of business, decides that the corporation should be dissolved, the board may adopt a resolution to that effect. If the corporation has issued no stock, only the directors need to approve the dissolution. If the corporation has issued stock, the directors must recommend the dissolution to the stockholders. The corporation shall notify each stockholder entitled to vote on dissolution, and the stockholders entitled to vote must approve the dissolution.

2. If the dissolution is approved by the directors or both the directors and stockholders, as respectively provided in subsection 1, the corporation shall file with the Office of the Secretary of State a certificate signed by an officer of the corporation setting forth that the dissolution has been approved by the directors, or by the directors and the stockholders, and a list of the names and addresses, either residence or business, of the corporation's president, secretary and treasurer, or the equivalent thereof, and all of its directors.

3. ~~[The dissolution takes effect upon the filing of]~~ *A certificate filed pursuant to this section is effective upon filing* the certificate ~~[of dissolution]~~ *with the Secretary of State* or upon a later date



1 specified in the certificate, which must ~~be~~ not *be* more than 90
2 days after ~~[the date on which]~~ the certificate is filed.

3 **Sec. 15.** NRS 78A.180 is hereby amended to read as follows:

4 78A.180 1. A corporation may voluntarily terminate its status
5 as a close corporation, and cease to be subject to the provisions of
6 this chapter, by amending the certificate of incorporation to delete
7 therefrom the additional provisions required or permitted by NRS
8 78A.020 to be stated in the certificate of incorporation of a close
9 corporation. An amendment must be adopted and become effective
10 in accordance with NRS 78.390, except that it must be approved by
11 a vote of the holders of record of at least two-thirds of the voting
12 shares of each class of stock of the corporation that are outstanding.

13 2. The certificate of incorporation of a close corporation may
14 provide that on any amendment to terminate the status as a close
15 corporation, a vote greater than two-thirds or a vote of all shares of
16 any class may be required. If the certificate of incorporation
17 contains such a provision, that provision may not be amended,
18 repealed or modified by any vote less than that required to terminate
19 the status of the corporation as a close corporation.

20 *3. A certificate filed pursuant to this section is effective upon*
21 *filing the certificate with the Secretary of State or upon a later*
22 *date specified in the certificate, which must not be more than 90*
23 *days after the certificate is filed.*

24 **Sec. 16.** NRS 80.010 is hereby amended to read as follows:

25 80.010 1. Before commencing or doing any business in this
26 State, each corporation organized pursuant to the laws of another
27 state, territory, the District of Columbia, a possession of the United
28 States or a foreign country that enters this State to do business must:

29 (a) File in the Office of the Secretary of State of this State:

30 (1) A certificate of corporate existence issued not more than
31 90 days before the date of filing by an authorized officer of the
32 jurisdiction of its incorporation setting forth the filing of records and
33 instruments related to the articles of incorporation, or the
34 governmental acts or other instrument or authority by which the
35 corporation was created. If the certificate is in a language other than
36 English, a translation, together with the oath of the translator and his
37 attestation of its accuracy, must be attached to the certificate.

38 (2) A certificate of acceptance of appointment signed by its
39 resident agent, who must be a resident or located in this State. The
40 certificate must set forth the name of the resident agent, his street
41 address for the service of process, and his mailing address if
42 different from his street address. The street address of the resident
43 agent is the registered office of the corporation in this State.

44 (3) A statement signed by an officer of the corporation
45 setting forth:



1 (I) A general description of the purposes of the
2 corporation; and

3 (II) The authorized stock of the corporation and the
4 number and par value of shares having par value and the number of
5 shares having no par value.

6 (b) Lodge in the Office of the Secretary of State a copy of the
7 record most recently filed by the corporation in the jurisdiction of its
8 incorporation setting forth the authorized stock of the corporation,
9 the number of par-value shares and their par value, and the number
10 of no-par-value shares.

11 2. The Secretary of State shall not file the records required by
12 subsection 1 for any foreign corporation whose name is not
13 distinguishable on the records of the Secretary of State from the
14 names of all other artificial persons formed, organized, registered or
15 qualified pursuant to the provisions of this title that are on file in the
16 Office of the Secretary of State and all names that are reserved in
17 the Office of the Secretary of State pursuant to the provisions of this
18 title, unless the written, acknowledged consent of the holder of the
19 name on file or reserved name to use the same name or the
20 requested similar name accompanies the articles of incorporation.

21 3. For the purposes of this section and NRS 80.012, a proposed
22 name is not distinguishable from a name on file or reserved solely
23 because one or the other names contains distinctive lettering, a
24 distinctive mark, a trademark or trade name, or any combination
25 thereof.

26 4. The name of a foreign corporation whose charter has been
27 revoked, which has merged and is not the surviving entity or whose
28 existence has otherwise terminated is available for use by any other
29 artificial person.

30 5. The Secretary of State shall not accept for filing the records
31 required by subsection 1 or NRS 80.110 for any foreign corporation
32 if the name of the corporation contains the words "engineer,"
33 "engineered," "engineering," "professional engineer," "registered
34 engineer" or "licensed engineer" unless the State Board of
35 Professional Engineers and Land Surveyors certifies that:

36 (a) The principals of the corporation are licensed to practice
37 engineering pursuant to the laws of this State; or

38 (b) The corporation is exempt from the prohibitions of
39 NRS 625.520.

40 6. The Secretary of State shall not accept for filing the records
41 required by subsection 1 or NRS 80.110 for any foreign corporation
42 if it appears from the records that the business to be carried on by
43 the corporation is subject to supervision by the Commissioner of
44 Financial Institutions, unless the Commissioner certifies that:



1 (a) The corporation has obtained the authority required to do
2 business in this State; or

3 (b) The corporation is not subject to or is exempt from the
4 requirements for obtaining such authority.

5 7. The Secretary of State shall not accept for filing the records
6 required by subsection 1 or NRS 80.110 for any foreign corporation
7 if the name of the corporation contains the word "accountant,"
8 "accounting," "accountancy," "auditor" or "auditing" unless the
9 Nevada State Board of Accountancy certifies that the foreign
10 corporation:

11 (a) Is registered pursuant to the provisions of chapter 628 of
12 NRS; or

13 (b) Has filed with the Nevada State Board of Accountancy under
14 penalty of perjury a written statement that the foreign corporation is
15 not engaged in the practice of accounting and is not offering to
16 practice accounting in this State.

17 8. *Initial qualification of the foreign corporation to do*
18 *business in this State is effective upon:*

19 (a) *Filing the records required pursuant to subsection 1 with*
20 *the Secretary of State; or*

21 (b) *A later date specified in the filing, which must not be more*
22 *than 90 days after the records are filed.*

23 9. The Secretary of State may adopt regulations that interpret
24 the requirements of this section.

25 **Sec. 17.** NRS 81.050 is hereby amended to read as follows:

26 81.050 In addition to the requirements of NRS 81.040, the
27 articles of incorporation of any association incorporated under NRS
28 81.010 to 81.160, inclusive, may contain any provision consistent
29 with law with respect to:

30 1. Management, regulation, government, financing,
31 indebtedness, membership, establishing of voting districts, voting
32 powers and election of delegates for representative purposes.

33 2. Issuance, retirement and transfer of its stock, if formed with
34 capital stock.

35 3. The way or manner in which it shall operate.

36 4. Its members, officers or directors.

37 5. Its affairs.

38 6. *The date upon which the articles of incorporation will*
39 *become effective, which is:*

40 (a) *The date of filing the articles with the Secretary of State; or*

41 (b) *A later date specified in the articles, which must not be*
42 *more than 90 days after the articles are filed.*

43 **Sec. 18.** NRS 81.060 is hereby amended to read as follows:

44 81.060 1. The articles of incorporation must be:



1 (a) Signed by three or more of the original members, a majority
2 of whom must be residents of this State.

3 (b) Filed, together with a certificate of acceptance of
4 appointment signed by the resident agent of the corporation, in the
5 Office of the Secretary of State in all respects in the same manner as
6 other articles of incorporation are filed.

7 2. If a corporation formed under NRS 81.010 to 81.160,
8 inclusive, is authorized to issue stock, there must be paid to the
9 Secretary of State for filing the articles of incorporation the fee
10 applicable to the amount of authorized stock of the corporation
11 which the Secretary of State is required by law to collect upon the
12 filing of articles of incorporation which authorize the issuance of
13 stock.

14 3. The Secretary of State shall issue to the corporation over the
15 Great Seal of the State a certificate that a copy of the articles
16 containing the required statements of facts has been filed in his
17 office.

18 4. Upon the issuance of the certificate by the Secretary of State
19 ~~it~~ *or upon a later date specified in the articles*, the persons signing
20 the articles and their associates and successors are a body politic and
21 corporate. When so filed, the articles of incorporation or certified
22 copies thereof must be received in all the courts of this State, and
23 other places, as prima facie evidence of the facts contained therein.

24 **Sec. 19.** NRS 81.200 is hereby amended to read as follows:
25 81.200 1. Each association formed under NRS 81.170 to
26 81.270, inclusive, shall prepare articles of association in writing,
27 setting forth:

28 (a) The name of the association.

29 (b) The purpose for which it is formed.

30 (c) The name of the person designated as the resident agent, the
31 street address for service of process, and the mailing address if
32 different from the street address.

33 (d) The term for which it is to exist, which may be perpetual.

34 (e) The names and addresses, either residence or business, of the
35 directors selected for the first year.

36 (f) The amount which each member is to pay upon admission as
37 a fee for membership, and that each member signing the articles has
38 actually paid the fee.

39 (g) That the interest and right of each member therein is to be
40 equal.

41 (h) The name and address, either residence or business, of each
42 of the persons signing the articles of association.

43 *(i) If the articles of association will become effective upon a*
44 *date later than the date the articles are filed with the Secretary of*



1 *State, the later date must be specified in the articles and must not*
2 *be more than 90 days after the articles are filed.*

3 2. The articles of association must be signed by the original
4 associates or members.

5 3. The articles so signed must be filed, together with a
6 certificate of acceptance of appointment signed by the resident agent
7 for the association, in the Office of the Secretary of State, who shall
8 furnish a certified copy thereof. From the ~~[time of the filing in the~~
9 ~~Office of the Secretary of State.]~~ *date the articles are filed or upon*
10 *a later date specified in the articles,* the association may exercise all
11 the powers for which it was formed.

12 **Sec. 20.** NRS 81.440 is hereby amended to read as follows:

13 81.440 Each corporation formed under NRS 81.410 to 81.540,
14 inclusive, shall prepare and file articles of incorporation in writing,
15 setting forth:

16 1. The name of the corporation.

17 2. The purpose for which it is formed.

18 3. The name of the person designated as the resident agent, the
19 street address for service of process, and the mailing address if
20 different from the street address.

21 4. The term for which it is to exist, which may be perpetual.

22 5. The number of directors thereof, which must be not less than
23 three and which may be any number in excess thereof, and the
24 names and residences of those selected for the first year and until
25 their successors have been elected and have accepted office.

26 6. Whether the voting power and the property rights and
27 interest of each member are equal or unequal, and if unequal the
28 articles must set forth a general rule applicable to all members by
29 which the voting power and the property rights and interests of each
30 member may be determined, but the corporation may admit new
31 members who may vote and share in the property of the corporation
32 with the old members, in accordance with the general rule.

33 7. The name and mailing or street address, either residence or
34 business, of each of the incorporators signing the articles of
35 incorporation.

36 8. *If the articles of incorporation will become effective upon a*
37 *date later than the date the articles are filed with the Secretary of*
38 *State, the later date must be specified in the articles and must not*
39 *be more than 90 days after the articles are filed.*

40 **Sec. 21.** NRS 81.450 is hereby amended to read as follows:

41 81.450 1. The articles of incorporation must be:

42 (a) Signed by three or more of the original members, a majority
43 of whom must be residents of this State.

44 (b) Filed, together with a certificate of acceptance of
45 appointment signed by the resident agent for the corporation, in the



1 Office of the Secretary of State in all respects in the same manner as
2 other articles of incorporation are filed.

3 2. The Secretary of State shall issue to the corporation over the
4 Great Seal of the State a certificate that a copy of the articles
5 containing the required statements of facts has been filed in his
6 office.

7 3. Upon the issuance of the certificate by the Secretary of State
8 *or upon a later date specified in the articles*, the persons signing
9 the articles and their associates and successors are a body politic and
10 corporate. When so filed, the articles of incorporation or certified
11 copies thereof must be received in all the courts of this State, and
12 other places, as prima facie evidence of the facts contained therein.

13 **Sec. 22.** NRS 82.063 is hereby amended to read as follows:

14 82.063 1. The board of directors of a corporation without
15 shares of stock which was organized before October 1, 1991,
16 pursuant to any provision of chapter 81 of NRS or a predecessor
17 statute and whose permissible term of existence as stated in the
18 articles of incorporation has expired, may, within 10 years after the
19 date of the expiration of its existence, elect to revive its charter and
20 accept this chapter by adopting a resolution reviving the expired
21 charter and adopting new articles of incorporation conforming to
22 this chapter and any other statutes pursuant to which the corporation
23 may have been organized. The new articles of incorporation need
24 not contain the names, addresses, signatures or acknowledgments of
25 the incorporators.

26 2. A certificate of election to accept this chapter pursuant to
27 this section must be signed by an officer of the corporation and must
28 set forth:

29 (a) The name of the corporation.

30 (b) A statement by the corporation that it has elected to accept
31 this chapter and adopt new articles of incorporation conforming to
32 the provisions of this chapter and any other statutes pursuant to
33 which the corporation may have been organized.

34 (c) A statement by the corporation that since the expiration of its
35 charter it has remained organized and continued to carry on the
36 activities for which it was formed and authorized by its original
37 articles of incorporation and amendments thereto, and desires to
38 continue through revival its existence pursuant to and subject to the
39 provisions of this chapter.

40 (d) A statement that the attached copy of the articles of
41 incorporation of the corporation are the new articles of incorporation
42 of the corporation.

43 (e) A statement setting forth the date of the meeting of the board
44 of directors at which the election to accept and adopt was made, that
45 a quorum was present at the meeting and that the acceptance and



1 adoption were authorized by a majority vote of the directors present
2 at the meeting.

3 3. The certificate so signed and a certificate of acceptance of
4 appointment signed by the resident agent of the corporation must be
5 filed in the Office of the Secretary of State.

6 4. The new articles of incorporation become effective on the
7 date of filing the certificate ~~and~~ *with the Secretary of State or upon a*
8 *later date specified in the articles, which must not be more than 90*
9 *days after the articles are filed.* The corporation's existence
10 continues from the date of expiration of the original term, with all
11 the corporation's rights, franchises, privileges and immunities and
12 subject to all its existing and preexisting debts, duties and liabilities.

13 **Sec. 23.** NRS 82.066 is hereby amended to read as follows:

14 82.066 Upon filing a certificate of acceptance ~~and~~ *or upon a*
15 *later date specified in the articles of incorporation,* the election of a
16 corporation to accept this chapter is effective and the corporation
17 has the powers and privileges and is subject to the duties,
18 restrictions, penalties and liabilities given to and imposed upon the
19 corporation by this chapter and by any other statutes pursuant to
20 which it was created. The articles of incorporation attached to the
21 certificate are thereafter the articles of incorporation of the
22 corporation. The holders of shares of stock issued by the corporation
23 are thereafter members of the corporation with one vote for each
24 share of stock so surrendered, unless the articles so adopted and
25 attached to the certificate provide otherwise.

26 **Sec. 24.** NRS 82.091 is hereby amended to read as follows:

27 82.091 The articles of incorporation may also contain:

28 1. Any provision subordinating the corporation to the authority
29 of a superior organization or any person, and providing for its
30 dissolution when its charter is surrendered to, taken away by or
31 revoked by the superior organization or any person granting it.

32 2. Any provision providing that, upon dissolution of the
33 corporation and the payment of its debts and the provision for other
34 matters as required by this chapter, the assets of the corporation
35 must be distributed to the superior organization or any person.

36 3. Any provision allowing members or directors, or classes of
37 members or directors, to have more or less than one vote in any
38 election or any other matter presented to the members or directors
39 for a vote.

40 4. Any provision allowing or providing for delegates with
41 some or all the authority of members.

42 5. Any provision, not contrary to the laws of this State, for the
43 management of the business and for the conduct of the affairs of the
44 corporation, and any provision creating, defining, limiting or
45 regulating the powers of the corporation or the rights, powers or



1 duties of the directors, members, if any, or delegates, if any, or any
2 class of members, delegates, or directors, or the holders of bonds or
3 other obligations of the corporation.

4 **6. A provision that the commencement of corporate existence**
5 **will take effect upon a date specified in the articles that:**

6 (a) *Is later than the date the articles are filed; and*

7 (b) *Must not be more than 90 days after the articles are filed.*

8 **Sec. 25.** NRS 82.111 is hereby amended to read as follows:

9 82.111 1. Upon the filing of the articles of incorporation and
10 the certificate of acceptance pursuant to NRS 82.081, and the
11 payment of the filing fees, the Secretary of State shall issue to the
12 corporation a certificate that the articles, containing the required
13 statement of facts, have been filed in his office. Upon the filing of
14 the articles ~~{ }~~ *or upon a later date specified in the articles,* the
15 corporation is a body corporate, by the name set forth in the articles,
16 subject to the forfeiture of its charter and dissolution as provided in
17 this chapter.

18 2. The filing of the articles does not, by itself, constitute
19 commencement of business by the corporation.

20 **Sec. 26.** NRS 82.346 is hereby amended to read as follows:

21 82.346 1. If the first meeting of the directors has not taken
22 place and if there are no members, a majority of the incorporators of
23 a corporation may amend the original articles by signing and
24 proving in the manner required for original articles, and filing with
25 the Secretary of State a certificate amending, modifying, changing
26 or altering the original articles, in whole or in part. The certificate
27 must state that:

28 (a) The signers thereof are a majority of the original
29 incorporators of the corporation; and

30 (b) As of the date of the certification, no meeting of the directors
31 has taken place and the corporation has no members other than the
32 incorporators.

33 2. ~~{The amendment}~~ *A certificate filed pursuant to this section*
34 *is effective upon ~~{the filing of}~~ filing the certificate with the*
35 *Secretary of State ~~{ }~~ or upon a later date specified in the*
36 *certificate, which must not be more than 90 days after the*
37 *certificate is filed.*

38 3. This section does not permit the insertion of any matter not
39 in conformity with this chapter.

40 4. The Secretary of State shall charge the fee allowed by law
41 for filing the amended certificate of incorporation.

42 **Sec. 27.** NRS 82.356 is hereby amended to read as follows:

43 82.356 1. Each amendment adopted pursuant to the
44 provisions of NRS 82.351 must be made in the following manner:



1 (a) The board of directors must adopt a resolution setting forth
2 the amendment proposed, approve it and, if the corporation has
3 members entitled to vote on an amendment to the articles, call a
4 meeting, either annual or special, of the members. The amendment
5 must also be approved by each public official or other person whose
6 approval of an amendment of articles is required by the articles.

7 (b) At the meeting of members, of which notice must be given
8 to each member entitled to vote pursuant to the provisions of this
9 section, a vote of the members entitled to vote in person or by proxy
10 must be taken for and against the proposed amendment. A majority
11 of a quorum of the voting power of the members or such greater
12 proportion of the voting power of members as may be required in
13 the case of a vote by classes, as provided in subsection 3, or as may
14 be required by the articles, must vote in favor of the amendment.

15 (c) Upon approval of the amendment by the directors, or if the
16 corporation has members entitled to vote on an amendment to the
17 articles, by both the directors and those members, and such other
18 persons or public officers, if any, as are required to do so by the
19 articles, an officer of the corporation must sign a certificate setting
20 forth the amendment, or setting forth the articles as amended, that
21 the public officers or other persons, if any, required by the articles
22 have approved the amendment, and the vote of the members and
23 directors by which the amendment was adopted.

24 (d) The certificate so signed must be filed in the Office of the
25 Secretary of State.

26 2. ~~[Upon filing the certificate, the articles of incorporation are~~
27 ~~amended accordingly.]~~ *A certificate filed pursuant to this section is*
28 *effective upon filing the certificate with the Secretary of State or*
29 *upon a later date specified in the certificate, which must not be*
30 *more than 90 days after the certificate is filed.*

31 3. If any proposed amendment would alter or change any
32 preference or any relative or other right given to any class of
33 members, then the amendment must be approved by the vote, in
34 addition to the affirmative vote otherwise required, of the holders of
35 a majority of a quorum of the voting power of each class of
36 members affected by the amendment regardless of limitations or
37 restrictions on their voting power.

38 4. In the case of any specified amendments, the articles may
39 require a larger vote of members than that required by this section.

40 **Sec. 28.** NRS 82.371 is hereby amended to read as follows:

41 82.371 1. A corporation may restate, or amend and restate, in
42 a single certificate the entire text of its articles as amended by filing
43 with the Secretary of State a certificate which must set forth the
44 articles as amended to the date of the certificate. If the certificate
45 alters or amends the articles in any manner, it must comply with the



provisions of NRS 82.346, 82.351 and 82.356, as applicable, and must be accompanied by:

(a) A resolution; or

(b) A form prescribed by the Secretary of State,

➔ setting forth which provisions of the articles of incorporation on file with the Secretary of State are being altered or amended.

2. If the certificate does not alter or amend the articles, it must be signed by an officer of the corporation and must state that he has been authorized to sign the certificate by resolution of the board of directors adopted on the date stated, and that the certificate correctly sets forth the text of the articles as amended to the date of the certificate.

3. The following may be omitted from the restated articles:

(a) The names, addresses, signatures and acknowledgments of the incorporators;

(b) The names and addresses of the members of the past and present board of directors; and

(c) The name and address of the resident agent.

4. Whenever a corporation is required to file a certified copy of its articles, in lieu thereof it may file a certified copy of the most recent certificate restating its articles as amended, subject to the provisions of subsection 2, together with certified copies of all certificates of amendment filed after the restated articles and certified copies of all certificates supplementary to the original articles.

5. A certificate filed pursuant to this section is effective upon filing the certificate with the Secretary of State or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed.

Sec. 29. NRS 82.451 is hereby amended to read as follows:

82.451 1. A corporation may be dissolved and its affairs wound up voluntarily if the board of directors adopts a resolution to that effect and calls a meeting of the members entitled to vote to take action upon the resolution. The resolution must also be approved by any person or superior organization whose approval is required by a provision of the articles authorized by NRS 82.091. The meeting of the members must be held with due notice. If at the meeting the members entitled to exercise a majority of all the voting power consent by resolution to the dissolution, a certificate signed by an officer of the corporation setting forth that the dissolution has been approved in compliance with this section, together with a list of the names and addresses, either residence or business, of the president, the secretary and the treasurer, or the equivalent thereof, and all the directors of the corporation, must be filed in the Office of the Secretary of State.



2. If a corporation has no members entitled to vote upon a resolution calling for the dissolution of the corporation, the corporation may be dissolved and its affairs wound up voluntarily by the board of directors if it adopts a resolution to that effect. The resolution must also be approved by any person or superior organization whose approval is required by a provision of the articles authorized by NRS 82.091. A certificate setting forth that the dissolution has been approved in compliance with this section and a list of the officers and directors, signed as provided in subsection 1, must be filed in the Office of the Secretary of State.

3. Upon the dissolution of any corporation under the provisions of this section or upon the expiration of its period of corporate existence, the directors are the trustees of the corporation in liquidation and in winding up the affairs of the corporation. The act of a majority of the directors as trustees remaining in office is the act of the directors as trustees.

4. A certificate filed pursuant to this section is effective upon filing the certificate with the Secretary of State or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed.

Sec. 30. NRS 84.030 is hereby amended to read as follows:

84.030 The articles of incorporation must specify:

1. The name of the corporation, which must be the name of the person making and subscribing the articles and the title of his office in the church or religious society, naming it if desired, and followed by the words "and his successors, a corporation sole," or the title of his office in the church or religious society, naming it if desired, and followed by the words "and his successors, a corporation sole."

2. The object of the corporation.

3. The title of the person making the articles, and the manner in which any vacancy occurring in the incumbency of an archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder, district superintendent, other presiding officer or clergyman is required by the rules, regulations or discipline of such church, society or denomination to be filled.

4. The name of the natural person or corporation designated as the corporation's resident agent, the street address for the service of process, and the mailing address if different from the street address.

5. If the articles of incorporation will become effective upon a date later than the date the articles are filed with the Secretary of State, the later date must be specified in the articles and must not be more than 90 days after the articles are filed.



1 **Sec. 31.** Chapter 86 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *For any limited-liability company where management is*
4 *vested in one or more managers and where no member's interests*
5 *in the limited-liability company have been issued, at least two-*
6 *thirds of the organizers or the managers of the limited-liability*
7 *company may amend the articles of organization of the limited-*
8 *liability company by signing and filing with the Secretary of State*
9 *a certificate amending, modifying, changing or altering the*
10 *articles, in whole or in part. The certificate must state that:*

11 (a) *The signers thereof are at least two-thirds of the organizers*
12 *or the managers of the limited-liability company, and state the*
13 *name of the limited-liability company; and*

14 (b) *As of the date of the certificate, no member's interests in*
15 *the limited-liability company have been issued.*

16 2. *A certificate filed pursuant to this section is effective upon*
17 *filing the certificate with the Secretary of State or upon a later*
18 *date specified in the certificate, which must not be more than 90*
19 *days after the certificate is filed.*

20 3. *If a certificate filed pursuant to this section specifies an*
21 *effective date and if no member's interests in the limited-liability*
22 *company have been issued, the managers of the limited-liability*
23 *company may terminate the effectiveness of the certificate by filing*
24 *a certificate of termination with the Secretary of State that:*

25 (a) *Identifies the certificate being terminated;*

26 (b) *States that no member's interests in the limited-liability*
27 *company have been issued;*

28 (c) *States that the effectiveness of the certificate has been*
29 *terminated;*

30 (d) *Is signed by at least two-thirds of the managers; and*

31 (e) *Is accompanied by a filing fee of \$175.*

32 4. *This section does not permit the insertion of any matter not*
33 *in conformity with this chapter.*

34 **Sec. 32.** NRS 86.161 is hereby amended to read as follows:

35 86.161 1. The articles of organization must set forth:

36 (a) The name of the limited-liability company;

37 (b) The name and complete street address of its resident agent,
38 and the mailing address of the resident agent if different from the
39 street address;

40 (c) The name and address, either residence or business, of each
41 of the organizers signing the articles; and

42 (d) If the company is to be managed by:

43 (1) One or more managers, the name and address, either
44 residence or business, of each initial manager; or



(2) The members, the name and address, either residence or business, of each initial member.

2. The articles may set forth any other provision, not inconsistent with law, which the members elect to set out in the articles of organization for the regulation of the internal affairs of the company, including any provisions which under this chapter are required or permitted to be set out in the operating agreement of the company.

3. It is not necessary to set out in the articles of organization:

(a) The rights of the members to contract debts on behalf of the limited-liability company if the limited-liability company is managed by its members;

(b) The rights of the manager or managers to contract debts on behalf of the limited-liability company if the limited-liability company is managed by a manager or managers; or

(c) Any of the powers enumerated in this chapter.

4. The articles of organization filed pursuant to this section are effective upon filing the articles with the Secretary of State or upon a later date specified in the articles, which must not be more than 90 days after the articles are filed.

Sec. 33. NRS 86.171 is hereby amended to read as follows:

86.171 1. The name of a limited-liability company formed under the provisions of this chapter must contain the words "Limited-Liability Company," "Limited Liability Company," "Limited Company," or "Limited" or the abbreviations "Ltd.," "L.L.C.," "L.C.," "LLC" or "LC." The word "Company" may be abbreviated as "Co."

2. The name proposed for a limited-liability company must be distinguishable on the records of the Secretary of State from the names of all other artificial persons formed, organized, registered or qualified pursuant to the provisions of this title that are on file in the Office of the Secretary of State and all names that are reserved in the Office of the Secretary of State pursuant to the provisions of this title. If a proposed name is not so distinguishable, the Secretary of State shall return the articles of organization to the organizer, unless the written, acknowledged consent of the holder of the name on file or reserved name to use the same name or the requested similar name accompanies the articles of organization.

3. For the purposes of this section and NRS 86.176, a proposed name is not distinguishable from a name on file or reserved name solely because one or the other contains distinctive lettering, a distinctive mark, a trademark or a trade name, or any combination thereof.

4. The name of a limited-liability company whose charter has been revoked, which has merged and is not the surviving entity or



1 whose existence has otherwise terminated is available for use by any
2 other artificial person.

3 5. The Secretary of State shall not accept for filing any articles
4 of organization for any limited-liability company if the name of the
5 limited-liability company contains the word "accountant,"
6 "accounting," "accountancy," "auditor" or "auditing" unless the
7 Nevada State Board of Accountancy certifies that the limited-
8 liability company:

9 (a) Is registered pursuant to the provisions of chapter 628 of
10 NRS; or

11 (b) Has filed with the Nevada State Board of Accountancy under
12 penalty of perjury a written statement that the limited-liability
13 company is not engaged in the practice of accounting and is not
14 offering to practice accounting in this State.

15 6. The Secretary of State shall not accept for filing any articles
16 of organization or certificate of amendment of articles of
17 organization of any limited-liability company formed or existing
18 pursuant to the laws of this State which provides that the name of
19 the limited-liability company contains the word "bank" or "trust"
20 unless:

21 (a) It appears from the articles of organization or the certificate
22 of amendment that the limited-liability company proposes to carry
23 on business as a banking or trust company, exclusively or in
24 connection with its business as a bank, savings and loan association
25 or thrift company; and

26 (b) The articles of organization or certificate of amendment is
27 first approved by the Commissioner of Financial Institutions.

28 7. The Secretary of State shall not accept for filing any articles
29 of organization or certificate of amendment of articles of
30 organization of any limited-liability company formed or existing
31 pursuant to the provisions of this chapter if it appears from the
32 articles or the certificate of amendment that the business to be
33 carried on by the limited-liability company is subject to supervision
34 by the Commissioner of Insurance or by the Commissioner of
35 Financial Institutions unless the articles or certificate of amendment
36 is approved by the Commissioner who will supervise the business of
37 the ~~Foreign~~ limited-liability company.

38 8. Except as otherwise provided in subsection 7, the Secretary
39 of State shall not accept for filing any articles of organization or
40 certificate of amendment of articles of organization of any limited-
41 liability company formed or existing pursuant to the laws of this
42 State which provides that the name of the limited-liability company
43 contains the words "engineer," "engineered," "engineering,"
44 "professional engineer," "registered engineer" or "licensed
45 engineer" unless:



(a) The State Board of Professional Engineers and Land Surveyors certifies that the principals of the limited-liability company are licensed to practice engineering pursuant to the laws of this State; or

(b) The State Board of Professional Engineers and Land Surveyors certifies that the limited-liability company is exempt from the prohibitions of NRS 625.520.

9. The Secretary of State may adopt regulations that interpret the requirements of this section.

Sec. 34. NRS 86.221 is hereby amended to read as follows:

86.221 1. The articles of organization of a limited-liability company may be amended for any purpose, not inconsistent with law, as determined by all of the members or permitted by the articles or an operating agreement.

2. An amendment must be made in the form of a certificate setting forth:

(a) The name of the limited-liability company;

(b) Whether the limited-liability company is managed by managers or members; and

(c) The amendment to the articles of organization.

3. The certificate of amendment must be signed by a manager of the company or, if management is not vested in a manager, by a member.

4. Restated articles of organization may be signed and filed in the same manner as a certificate of amendment. If the certificate alters or amends the articles in any manner, it must be accompanied by:

(a) A resolution; or

(b) A form prescribed by the Secretary of State,

➤ setting forth which provisions of the articles of organization on file with the Secretary of State are being altered or amended.

5. The following may be omitted from the restated articles of organization:

(a) The names, addresses, signatures and acknowledgments of the organizers;

(b) The names and addresses of the past and present members or managers; and

(c) The name and address of the resident agent.

Sec. 35. NRS 86.226 is hereby amended to read as follows:

86.226 1. A signed certificate of amendment, or a certified copy of a judicial decree of amendment, must be filed with the Secretary of State. A person who signs a certificate as an agent, officer or fiduciary of the limited-liability company need not exhibit evidence of his authority as a prerequisite to filing. Unless the



1 Secretary of State finds that a certificate does not conform to law,
2 upon his receipt of all required filing fees he shall file the certificate.

3 2. A certificate of amendment or judicial decree of amendment
4 is effective upon filing *the certificate* with the Secretary of State or
5 upon a later date specified in the certificate or judicial decree, which
6 must not be more than 90 days after the certificate or judicial decree
7 is filed.

8 3. If a certificate specifies an effective date and if the
9 resolution of the members approving the proposed amendment
10 provides that one or more managers or, if management is not vested
11 in a manager, one or more members may abandon the proposed
12 amendment, then those managers or members may terminate the
13 effectiveness of the certificate by filing a certificate of termination
14 with the Secretary of State that:

15 (a) Is filed before the effective date specified in the certificate or
16 judicial decree filed pursuant to subsection 1;

17 (b) Identifies the certificate being terminated;

18 (c) States that, pursuant to the resolution of the members, the
19 manager of the company or, if management is not vested in a
20 manager, a designated member is authorized to terminate the
21 effectiveness of the certificate;

22 (d) States that the effectiveness of the certificate has been
23 terminated;

24 (e) Is signed by a manager of the company or, if management is
25 not vested in a manager, a designated member; and

26 (f) Is accompanied by a filing fee of \$175.

27 **Sec. 36.** NRS 86.343 is hereby amended to read as follows:

28 86.343 1. A distribution of the profits and contributions of a
29 limited-liability company must not be made if, after giving it effect:

30 (a) The company would not be able to pay its debts as they
31 become due in the usual course of business; or

32 (b) Except as otherwise specifically permitted by the articles of
33 organization, the total assets of the company would be less than the
34 sum of its total liabilities.

35 2. The manager or, if management of the company is not
36 vested in a manager or managers, the members may base a
37 determination that a distribution is not prohibited pursuant to this
38 section on:

39 (a) Financial statements prepared on the basis of accounting
40 practices that are reasonable in the circumstances;

41 (b) A fair valuation, including unrealized appreciation and
42 depreciation; or

43 (c) Any other method that is reasonable in the circumstances.

44 3. The effect of a distribution pursuant to this section must be
45 measured:



(a) In the case of a distribution by purchase, redemption or other acquisition by the company of member's interests, as of the earlier of:

(1) The date on which money or other property is transferred or debt incurred by the company; or

(2) The date on which the member ceases to be a member with respect to his acquired interest.

(b) In the case of any other distribution of indebtedness, as of the date on which the indebtedness is distributed.

(c) In all other cases, as of:

(1) The date on which the distribution is authorized if the payment occurs within 120 days after the date of authorization; or

(2) The date on which the payment is made if it occurs more than 120 days after the date of authorization.

4. Indebtedness of the company, including indebtedness issued as a distribution, is not considered a liability for purposes of determinations pursuant to this section if its terms provide that payment of principal and interest are to be made only if and to the extent that payment of a distribution to the members could then be made pursuant to this section. If the indebtedness is issued as a distribution, each payment of principal or interest must be treated as a distribution, the effect of which must be measured as of the date of payment.

5. Except as otherwise provided in subsection 6, a member who receives a distribution in violation of this section is liable to the limited-liability company for the amount of the distribution. This subsection does not affect the validity of an obligation or liability of a member created by an agreement or other applicable law for the amount of a distribution.

6. ~~{Unless otherwise agreed, a}~~ A member who receives a distribution from a limited-liability company *in violation of this section is not liable to the limited-liability company and, in the event of its dissolution or insolvency, to its creditors, or any of them,* for the amount of the distribution after the expiration of 3 years after the date of the distribution unless an action to recover the distribution from the member is commenced before the expiration of the 3-year period following the distribution.

Sec. 37. NRS 86.541 is hereby amended to read as follows:

86.541 1. The signed articles of dissolution must be filed with the Secretary of State. Articles of dissolution ~~{become}~~ *are* effective upon filing *the articles* with the Secretary of State ~~{}~~ *or upon a later date specified in the articles, which must not be more than 90 days after the articles are filed.*

2. Upon the filing of the articles of dissolution *or upon a later date specified in the articles,* the existence of the company ceases,



1 except for the purpose of suits, other proceedings and appropriate
2 action as provided in this chapter. The manager or managers in
3 office at the time of dissolution, or the survivors of them, are
4 thereafter trustees for the members and creditors of the dissolved
5 company and as such have authority to distribute any property of the
6 company discovered after dissolution, convey real estate and take
7 such other action as may be necessary on behalf of and in the name
8 of the dissolved company.

9 **Sec. 38.** NRS 86.544 is hereby amended to read as follows:

10 86.544 **1.** Before transacting business in this State, a foreign
11 limited-liability company must register with the Secretary of State.
12 In order to register, a foreign limited-liability company must submit
13 to the Secretary of State an application for registration as a foreign
14 limited-liability company, signed by a manager of the company or,
15 if management is not vested in a manager, a member of the
16 company and a signed certificate of acceptance of a resident agent.
17 The application for registration must set forth:

18 ~~[1-]~~ **(a)** The name of the foreign limited-liability company and,
19 if different, the name under which it proposes to register and
20 transact business in this State;

21 ~~[2-]~~ **(b)** The state and date of its formation;

22 ~~[3-]~~ **(c)** The name and *street* address of the resident agent in this
23 State whom the foreign limited-liability company elects to appoint;

24 ~~[4-]~~ **(d)** A statement that the Secretary of State is appointed the
25 agent of the foreign limited-liability company for service of process
26 if the authority of the resident agent has been revoked, or if the
27 resident agent has resigned or cannot be found or served with the
28 exercise of reasonable diligence;

29 ~~[5-]~~ **(e)** The address of the office required to be maintained in
30 the state of its organization by the laws of that state or, if not so
31 required, of the principal office of the foreign limited-liability
32 company;

33 ~~[6-]~~ **(f)** The name and business address of each manager or, if
34 management is not vested in a manager, each member; and

35 ~~[7-]~~ **(g)** The address of the office at which is kept a list of the
36 names and addresses of the members and their capital contributions,
37 together with an undertaking by the foreign limited-liability
38 company to keep those records until the registration in this State of
39 the foreign limited-liability company is cancelled or withdrawn.

40 **2.** *The application for registration is effective upon filing the*
41 *application with the Secretary of State or upon a later date*
42 *specified in the application for registration, which must not be*
43 *more than 90 days after the application is filed.*



Sec. 39. NRS 86.547 is hereby amended to read as follows:

86.547 1. A foreign limited-liability company may cancel its registration by filing with the Secretary of State a certificate of cancellation signed by a manager of the company or, if management is not vested in a manager, a member of the company. The certificate, which must be accompanied by the required fees, must set forth:

(a) The name of the foreign limited-liability company;

(b) The effective date of the cancellation if other than the date of the filing of the certificate of cancellation ~~is~~, *which must not be more than 90 days after the certificate is filed;* and

(c) Any other information deemed necessary by the manager of the company or, if management is not vested in a manager, a member of the company.

2. A cancellation pursuant to this section does not terminate the authority of the Secretary of State to accept service of process on the foreign limited-liability company with respect to causes of action arising from the transaction of business in this State by the foreign limited-liability company.

Sec. 40. NRS 87.440 is hereby amended to read as follows:

87.440 1. To become a registered limited-liability partnership, a partnership shall file with the Secretary of State a certificate of registration stating each of the following:

(a) The name of the partnership.

(b) The street address of its principal office.

(c) The name of the person designated as the partnership's resident agent, the street address of the resident agent where process may be served upon the partnership and the mailing address of the resident agent if it is different than his street address.

(d) The name and business address of each managing partner in this State.

(e) A brief statement of the professional service rendered by the partnership.

(f) That the partnership thereafter will be a registered limited-liability partnership.

(g) Any other information that the partnership wishes to include.

2. The certificate of registration must be signed by a majority in interest of the partners or by one or more partners authorized to sign such a certificate.

3. The certificate of registration must be accompanied by a fee of \$175.

4. The Secretary of State shall register as a registered limited-liability partnership any partnership that submits a completed certificate of registration with the required fee.



1 5. The registration of a registered limited-liability partnership
2 is effective ~~{at the time of the filing of}~~ *upon filing* the certificate of
3 registration *or upon a later date specified in the certificate, which*
4 *must not be more than 90 days after the certificate is filed.*

5 **Sec. 41.** NRS 87.460 is hereby amended to read as follows:

6 87.460 1. A certificate of registration of a registered limited-
7 liability partnership may be amended by filing with the Secretary of
8 State a certificate of amendment. The certificate of amendment must
9 set forth:

10 (a) The name of the registered limited-liability partnership; and

11 (b) The change to the information contained in the original
12 certificate of registration or any other certificates of amendment.

13 2. The certificate of amendment must be:

14 (a) Signed by a managing partner of the registered limited-
15 liability partnership; and

16 (b) Accompanied by a fee of \$175.

17 *3. A certificate filed pursuant to this section is effective upon*
18 *filing the certificate with the Secretary of State or upon a later*
19 *date specified in the certificate, which must not be more than 90*
20 *days after the certificate is filed.*

21 **Sec. 42.** NRS 88.350 is hereby amended to read as follows:

22 88.350 1. In order to form a limited partnership, a certificate
23 of limited partnership must be signed and filed in the Office of the
24 Secretary of State. The certificate must set forth:

25 (a) The name of the limited partnership;

26 (b) The address of the office which contains records and the
27 name and address of the resident agent required to be maintained by
28 NRS 88.330;

29 (c) The name and business address of each organizer executing
30 the certificate;

31 (d) The name and business address of each initial general
32 partner;

33 (e) The latest date upon which the limited partnership is to
34 dissolve; and

35 (f) Any other matters the organizers determine to include
36 therein.

37 2. A certificate of acceptance of appointment of a resident
38 agent, signed by the agent, must be filed with the certificate of
39 limited partnership.

40 3. A limited partnership is formed ~~{at the time of the filing of}~~
41 *upon filing* the certificate of limited partnership and the certificate
42 of acceptance ~~{in the Office of}~~ *with* the Secretary of State or ~~{at any~~
43 ~~later time}~~ *upon a later date* specified in the certificate of limited
44 partnership , *which must not be more than 90 days after the*



1 *certificate of limited partnership is filed*, if, in either case, there has
2 been substantial compliance with the requirements of this section.

3 **Sec. 43.** NRS 88.355 is hereby amended to read as follows:

4 88.355 1. A certificate of limited partnership is amended by
5 filing a certificate of amendment thereto in the Office of the
6 Secretary of State. The certificate must set forth:

7 (a) The name of the limited partnership; and

8 (b) The amendment.

9 2. Within 30 days after the happening of any of the following
10 events an amendment to a certificate of limited partnership
11 reflecting the occurrence of the event or events must be filed:

12 (a) The admission of a new general partner;

13 (b) The withdrawal of a general partner; or

14 (c) The continuation of the business under NRS 88.550 after an
15 event of withdrawal of a general partner.

16 3. A general partner who becomes aware that any statement in
17 a certificate of limited partnership was false when made or that any
18 arrangements or other facts described, except the address of its
19 office or the name or address of its resident agent, have changed,
20 making the certificate inaccurate in any respect, shall promptly
21 amend the certificate.

22 4. A certificate of limited partnership may be amended at any
23 time for any other proper purpose the general partners determine.

24 5. No person has any liability because an amendment to a
25 certificate of limited partnership has not been filed to reflect the
26 occurrence of any event referred to in subsection 2 if the amendment
27 is filed within the 30-day period specified in subsection 2.

28 6. *A certificate of amendment filed pursuant to this section is*
29 *effective upon filing the certificate with the Secretary of State or*
30 *upon a later date specified in the certificate, which must not be*
31 *more than 90 days after the certificate is filed.*

32 7. A restated certificate of limited partnership may be signed
33 and filed in the same manner as a certificate of amendment. If the
34 certificate alters or amends the certificate of limited partnership in
35 any manner, it must be accompanied by:

36 (a) A resolution; or

37 (b) A form prescribed by the Secretary of State,

38 ➤ setting forth which provisions of the certificate of limited
39 partnership on file with the Secretary of State are being altered or
40 amended.

41 **Sec. 44.** NRS 88.360 is hereby amended to read as follows:

42 88.360 A certificate of limited partnership must be cancelled
43 upon the dissolution and the commencement of winding up of the
44 partnership or at any other time there are no limited partners. A



certificate of cancellation must be filed in the Office of the Secretary of State and set forth:

1. The name of the limited partnership;
2. The reason for filing the certificate of cancellation;
3. The effective date ~~[, which must be a date certain.]~~ of *the* cancellation if ~~[it is not to be effective upon]~~ *other than the date of the filing of the certificate [;], which must not be more than 90 days after the certificate is filed;* and
4. Any other information the general partners filing the certificate determine.

Sec. 45. NRS 88.380 is hereby amended to read as follows:

88.380 1. A signed copy of the certificate of limited partnership and of any certificates of amendment or cancellation or of any judicial decree of amendment or cancellation must be delivered to the Secretary of State. A person who signs a certificate as an agent or fiduciary need not exhibit evidence of his authority as a prerequisite to filing. Unless the Secretary of State finds that any certificate does not conform to law, upon receipt of all filing fees required by law he shall file the certificate.

2. Upon the filing of a certificate of amendment or judicial decree of amendment ~~[in the Office of]~~ *with* the Secretary of State ~~[;] or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed, the certificate of limited partnership is amended as set forth therein, and upon the effective date of a certificate of cancellation or a judicial decree thereof, the certificate of limited partnership is cancelled.~~

Sec. 46. NRS 88.575 is hereby amended to read as follows:

88.575 1. Before transacting business in this State, a foreign limited partnership shall register with the Secretary of State. In order to register, a foreign limited partnership shall submit to the Secretary of State an application for registration as a foreign limited partnership, signed by a general partner, and a signed certificate of acceptance of a resident agent. The application for registration must set forth:

~~[1-]~~ (a) The name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this State;

~~[2-]~~ (b) The state and date of its formation;

~~[3-]~~ (c) The name and address of the resident agent whom the foreign limited partnership elects to appoint;

~~[4-]~~ (d) A statement that the Secretary of State is appointed the agent of the foreign limited partnership for service of process if the resident agent's authority has been revoked or if the resident agent cannot be found or served with the exercise of reasonable diligence;



1 ~~[5-]~~ (e) The address of the office required to be maintained in
2 the state of its organization by the laws of that state or, if not so
3 required, of the principal office of the foreign limited partnership;

4 ~~[6-]~~ (f) The name and business address of each general partner;
5 and

6 ~~[7-]~~ (g) The address of the office at which is kept a list of the
7 names and addresses of the limited partners and their capital
8 contributions, together with an undertaking by the foreign limited
9 partnership to keep those records until the foreign limited
10 partnership's registration in this State is cancelled or withdrawn.

11 2. *The application for registration is effective upon filing the*
12 *application with the Secretary of State or upon a later date*
13 *specified in the application, which must not be more than 90 days*
14 *after the application is filed.*

15 **Sec. 47.** NRS 88.595 is hereby amended to read as follows:

16 88.595 A foreign limited partnership may cancel its
17 registration by filing with the Secretary of State a certificate of
18 cancellation signed by a general partner. The certificate must set
19 forth:

- 20 1. The name of the foreign limited partnership;
21 2. The reason for filing the certificate of cancellation;
22 3. The effective date of the cancellation if other than the date of
23 the filing of the certificate ~~[of cancellation;]~~ , *which must not be*
24 *more than 90 days after the certificate is filed;* and
25 4. Any other information deemed necessary by the general
26 partners of the partnership.

27 ➔ A cancellation does not terminate the authority of the Secretary
28 of State to accept service of process on the foreign limited
29 partnership with respect to causes of action arising out of the
30 transactions of business in this State.

31 **Sec. 48.** NRS 88.606 is hereby amended to read as follows:

32 88.606 1. To become a registered limited-liability limited
33 partnership, a limited partnership shall file with the Secretary of
34 State a certificate of registration stating each of the following:

- 35 (a) The name of the limited partnership.
36 (b) The street address of its principal office.
37 (c) The name of the person designated as the resident agent of
38 the limited partnership, the street address of the resident agent where
39 process may be served upon the partnership and the mailing address
40 of the resident agent if it is different from his street address.
41 (d) The name and business address of each organizer signing the
42 certificate.
43 (e) The name and business address of each initial general
44 partner.



(f) That the limited partnership thereafter will be a registered limited-liability limited partnership.

(g) Any other information that the limited partnership wishes to include.

2. The certificate of registration must be signed by the vote necessary to amend the partnership agreement or, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.

3. The Secretary of State shall register as a registered limited-liability limited partnership any limited partnership that submits a completed certificate of registration with the required fee.

4. The registration of a registered limited-liability limited partnership is effective ~~at the time of the filing of~~ *upon filing* the certificate of registration ~~with the Secretary of State~~ *or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed.*

Sec. 49. NRS 88A.210 is hereby amended to read as follows:

88A.210 1. One or more persons may create a business trust by adopting a governing instrument and signing and filing with the Secretary of State a certificate of trust and a certificate of acceptance of appointment signed by the resident agent of the business trust. The certificate of trust must set forth:

(a) The name of the business trust;

(b) The name and the mailing or street address, either residence or business, of at least one trustee;

(c) The name of the person designated as the resident agent for the business trust, the street address of the resident agent where process may be served upon the business trust and the mailing address of the resident agent if different from the street address;

(d) The name and mailing or street address, either residence or business, of each person signing the certificate of trust; and

(e) Any other information the trustees determine to include.

2. Upon the filing of the certificate of trust and the certificate of acceptance with the Secretary of State and the payment to him of the required filing fee, the Secretary of State shall issue to the business trust a certificate that the required records with the required content have been filed. From the date of that filing ~~with the Secretary of State~~ *or a later date specified in the certificate of trust, which must not be more than 90 days after the certificate is filed,* the business trust is legally formed pursuant to this chapter.

Sec. 50. NRS 88A.220 is hereby amended to read as follows:

88A.220 1. A certificate of trust may be amended by filing with the Secretary of State a certificate of amendment signed by at least one trustee. The certificate of amendment must set forth:

(a) The name of the business trust; and



(b) The amendment to the certificate of trust.

2. A certificate of trust may be restated by integrating into a single instrument all the provisions of the original certificate, and all amendments to the certificate, which are then in effect or are to be made by the restatement. The restated certificate of trust must be so designated in its heading, must be signed by at least one trustee and must set forth:

(a) The present name of the business trust;

(b) The provisions of the original certificate of trust, and all amendments to the certificate, which are then in effect; and

(c) Any further amendments to the certificate of trust.

3. A certificate of trust may be amended or restated at any time for any purpose determined by the trustees.

4. A certificate filed pursuant to this section is effective upon filing the certificate with the Secretary of State or upon a later date specified in the certificate, which must not be more than 90 days after the certificate is filed.

Sec. 51. NRS 88A.420 is hereby amended to read as follows:

88A.420 A certificate of trust must be cancelled upon the completion or winding up of the business trust and its termination. A certificate of cancellation must be signed by a trustee, filed with the Secretary of State, and set forth:

1. The name of the business trust;

2. ~~[A future effective date of the certificate of cancellation, if it is not to be effective upon filing, which may]~~ *The effective date of the cancellation if other than the date of the filing of the certificate, which must* not be more than 90 days after the certificate is filed; and

3. Any other information the trustee determines to include.

Sec. 52. NRS 88A.710 is hereby amended to read as follows:

88A.710 *1.* Before transacting business in this State, a foreign business trust shall register with the Secretary of State. In order to register, a foreign business trust shall submit to the Secretary of State an application for registration as a foreign business trust, signed by a trustee, and a signed certificate of acceptance of a resident agent. The application for registration must set forth:

~~[1-]~~ *(a)* The name of the foreign business trust and, if different, the name under which it proposes to register and transact business in this State;

~~[2-]~~ *(b)* The state and date of its formation;

~~[3-]~~ *(c)* The name and address of the resident agent whom the foreign business trust elects to appoint;



1 ~~[4-]~~ (d) The address of the office required to be maintained in
2 the state of its organization by the laws of that state or, if not so
3 required, of the principal office of the foreign business trust; and

4 ~~[5-]~~ (e) The name and address, either residence or business, of
5 one trustee.

6 2. *The application for registration is effective upon filing the*
7 *application with the Secretary of State or upon a later date*
8 *specified in the application, which must not be more than 90 days*
9 *after the application is filed.*

10 **Sec. 53.** NRS 88A.740 is hereby amended to read as follows:

11 88A.740 A foreign business trust may cancel its registration by
12 filing with the Secretary of State a certificate of cancellation signed
13 by a trustee. The certificate must set forth:

14 1. The name of the foreign business trust;

15 2. The effective date of the cancellation if other than the date of
16 the filing of the certificate ~~{of cancellation;}~~ , *which must not be*
17 *more than 90 days after the certificate is filed;* and

18 3. Any other information deemed necessary by the trustee.

19 ↪ A cancellation does not terminate the authority of the Secretary
20 of State to accept service of process on the foreign business trust
21 with respect to causes of action arising out of the transaction of
22 business in this State.

23 **Sec. 54.** NRS 92A.100 is hereby amended to read as follows:

24 92A.100 1. Except as limited by NRS 78.411 to 78.444,
25 inclusive, one or more domestic entities may merge into another
26 entity if the plan of merger is approved pursuant to the provisions of
27 this chapter.

28 2. Except as otherwise provided in NRS 92A.180, the plan of
29 merger must set forth:

30 (a) The name ~~{, address}~~ and jurisdiction of organization ~~{and~~
31 ~~governing law}~~ of each constituent entity;

32 (b) The name, jurisdiction of organization and kind of entity or
33 entities that will survive the merger;

34 (c) The terms and conditions of the merger; and

35 (d) The manner and basis , *if any*, of converting the owner's
36 interests of each constituent entity into owner's interests, rights to
37 purchase owner's interests, or other securities of the surviving or
38 other entity or into cash or other property in whole or in part ~~[H]~~ *or*
39 *cancelling such owner's interests in whole or in part.*

40 3. The plan of merger may set forth:

41 (a) Amendments to the constituent documents of the surviving
42 entity; and

43 (b) Other provisions relating to the merger.

44 4. The plan of merger must be in writing.



Sec. 55. NRS 92A.105 is hereby amended to read as follows:

92A.105 1. Except as limited by NRS 78.411 to 78.444, inclusive, one domestic general partnership or one domestic entity, except a domestic nonprofit corporation, may convert into a domestic entity of a different type or a foreign entity if the plan of conversion is approved pursuant to the provisions of this chapter.

2. The plan of conversion must be in writing and set forth the:

(a) Name of the constituent entity and the proposed name for the resulting entity;

~~[(b)]~~ ~~Address of the constituent entity and the resulting entity;~~

~~[(e)]~~ Jurisdiction of the law that governs the constituent entity;

~~[(d)]~~ (c) Jurisdiction of the law that will govern the resulting entity;

~~[(e)]~~ (d) Terms and conditions of the conversion;

~~[(f)]~~ (e) Manner and basis , *if any*, of converting the owner's interest or the interest of a partner in a general partnership of the constituent entity into owner's interests, rights of purchase and other securities in the resulting entity ~~and~~

~~[(g)]~~ *or cancelling such owner's interests in whole or in part; and*

(f) Full text of the constituent documents of the resulting entity.

3. The plan of conversion may set forth other provisions relating to the conversion.

Sec. 56. NRS 92A.110 is hereby amended to read as follows:

92A.110 1. Except as a corporation is limited by NRS 78.411 to 78.444, inclusive, one or more domestic entities may acquire all of the outstanding owner's interests of one or more classes or series of another entity not already owned by the acquiring entity or an affiliate thereof if the plan of exchange is approved pursuant to the provisions of this chapter.

2. The plan of exchange must set forth:

(a) The name ~~[-address]~~ and jurisdiction of organization and governing law of each constituent entity;

(b) The name, jurisdiction of organization and kind of each entity whose owner's interests will be acquired by one or more other entities;

(c) The terms and conditions of the exchange; and

(d) The manner and basis , *if any*, of exchanging the owner's interests to be acquired for owner's interests, rights to purchase owner's interests, or other securities of the acquiring or any other entity or for cash or other property in whole or in part ~~[-]~~ *or cancelling such owner's interests in whole or in part.*

3. The plan of exchange may set forth other provisions relating to the exchange.



4. This section does not limit the power of a domestic entity to acquire all or part of the owner's interests or one or more class or series of owner's interests of another person through a voluntary exchange or otherwise.

5. The plan of exchange must be in writing.

Sec. 57. NRS 92A.120 is hereby amended to read as follows:

92A.120 1. After adopting a plan of merger, exchange or conversion, the board of directors of each domestic corporation that is a constituent entity in the merger or conversion, or the board of directors of the domestic corporation whose shares will be acquired in the exchange, must submit the plan of merger, except as otherwise provided in NRS 92A.130 and 92A.180, the plan of conversion or the plan of exchange for approval by its stockholders who are entitled to vote on the plan ~~in accordance with the provisions of this section.~~

2. For a plan of merger, conversion or exchange to be approved:

(a) The board of directors must recommend the plan of merger, conversion or exchange to the stockholders, unless the board of directors determines that because of a conflict of interest or other special circumstances it should make no recommendation and it communicates the basis for its determination to the stockholders with the plan; and

(b) The stockholders entitled to vote must approve the plan.

3. The board of directors may condition its submission of the proposed merger, conversion or exchange on any basis. *The provisions of this section or this chapter must not be construed to permit a board of directors to submit, or to agree to submit, a plan of merger, conversion or exchange to the stockholders without the recommendation of the board required pursuant to paragraph (a) of subsection 2 unless the board of directors determines that because of a conflict of interest or other special circumstances it should make no recommendation and it communicates the basis for its determination to the stockholders with the plan. Any agreement of the board of directors to submit a plan of merger, conversion or exchange to the stockholders notwithstanding an adverse recommendation of the board of directors shall be deemed to be of no force or effect.*

4. Unless the plan of merger, conversion or exchange is approved by the written consent of stockholders pursuant to subsection 7, the domestic corporation must notify each stockholder, whether or not he is entitled to vote, of the proposed stockholders' meeting in accordance with NRS 78.370. The notice must also state that the purpose, or one of the purposes, of the meeting is to



1 consider the plan of merger, conversion or exchange and must
2 contain or be accompanied by a copy or summary of the plan.

3 5. Unless this chapter, the articles of incorporation, the
4 resolutions of the board of directors establishing the class or series
5 of stock or the board of directors acting pursuant to subsection 3
6 require a greater vote or a vote by classes of stockholders, the plan
7 of merger or conversion must be approved by a majority of the
8 voting power of the stockholders.

9 6. Unless the articles of incorporation or the resolution of the
10 board of directors establishing a class or series of stock provide
11 otherwise, or unless the board of directors acting pursuant to
12 subsection 3 requires a greater vote, the plan of exchange must be
13 approved by a majority of the voting power of each class and each
14 series to be exchanged pursuant to the plan of exchange.

15 7. Unless otherwise provided in the articles of incorporation or
16 the bylaws of the domestic corporation, the plan of merger,
17 conversion or exchange may be approved by written consent as
18 provided in NRS 78.320.

19 8. If an officer, director or stockholder of a domestic
20 corporation, which will be the constituent entity in a conversion,
21 will have any liability for the obligations of the resulting entity after
22 the conversion because he will be the owner of an owner's interest
23 in the resulting entity, then that officer, director or stockholder must
24 also approve the plan of conversion.

25 9. Unless otherwise provided in the articles of incorporation or
26 bylaws of a domestic corporation, a plan of merger, conversion or
27 exchange may contain a provision that permits amendment of
28 the plan of merger, conversion or exchange at any time after the
29 stockholders of the domestic corporation approve the plan of
30 merger, conversion or exchange, but before the articles of merger,
31 conversion or exchange become effective, without obtaining the
32 approval of the stockholders of the domestic corporation for the
33 amendment if the amendment does not:

34 (a) Alter or change the manner or basis of exchanging an
35 owner's interest to be acquired for owner's interests, rights to
36 purchase owner's interests, or other securities of the acquiring entity
37 or any other entity, or for cash or other property in whole or in part;
38 or

39 (b) Alter or change any of the terms and conditions of the plan
40 of merger, conversion or exchange in a manner that adversely
41 affects the stockholders of the domestic corporation.

42 10. ~~[This section does not prevent or restrict a]~~ A board of
43 directors ~~[from cancelling]~~ **shall cancel** the proposed meeting or
44 ~~[removing]~~ **remove** the plan of merger, conversion or exchange
45 from consideration at the meeting if the board of directors



determines that it is not advisable to submit the plan of merger, conversion or exchange to the stockholders for approval.

Sec. 58. NRS 92A.180 is hereby amended to read as follows:

92A.180 1. A parent domestic corporation, whether or not for profit, parent domestic limited-liability company, unless otherwise provided in the articles of organization or operating agreement, or parent domestic limited partnership owning at least 90 percent of the outstanding shares of each class of a subsidiary corporation ~~is~~ *entitled to vote on a merger*, 90 percent of the percentage or other interest in the capital and profits of a subsidiary limited-liability company then owned by each class of members *entitled to vote on a merger* or 90 percent of the percentage or other interest in the capital and profits of a subsidiary limited partnership then owned by both the general partners and each class of limited partners *entitled to vote on a merger* may merge the subsidiary into itself without approval of the owners of the owner's interests of the parent domestic corporation, domestic limited-liability company or domestic limited partnership or the owners of the owner's interests of a subsidiary domestic corporation, subsidiary domestic limited-liability company or subsidiary domestic limited partnership.

2. A parent domestic corporation, whether or not for profit, parent domestic limited-liability company, unless otherwise provided in the articles of organization ~~is~~ *or operating agreement*, or parent domestic limited partnership owning at least 90 percent of the outstanding shares of each class of a subsidiary corporation ~~is~~ *entitled to vote on a merger*, 90 percent of the percentage or other interest in the capital and profits of a subsidiary limited-liability company then owned by each class of members ~~is~~ *entitled to vote on a merger*, or 90 percent of the percentage or other interest in the capital and profits of a subsidiary limited partnership then owned by both the general partners and each class of limited partners *entitled to vote on a merger* may merge with and into the subsidiary without approval of the owners of the owner's interests of the subsidiary domestic corporation, subsidiary domestic limited-liability company or subsidiary domestic limited partnership.

3. The board of directors of a parent corporation, the managers of a parent limited-liability company with managers unless otherwise provided in the operating agreement, all members of a parent limited-liability company without managers unless otherwise provided in the operating agreement, or all general partners of a parent limited partnership shall adopt a plan of merger that sets forth:

(a) The names of the parent and subsidiary; and

(b) The manner and basis of converting the owner's interests of the disappearing entity into the owner's interests, obligations or



1 other securities of the surviving or any other entity or into cash or
2 other property in whole or in part.

3 4. The parent shall mail a copy or summary of the plan of
4 merger to each owner of the subsidiary who does not waive the
5 mailing requirement in writing.

6 5. Articles of merger under this section may not contain
7 amendments to the constituent documents of the surviving entity
8 except that the name of the surviving entity may be changed.

9 6. The articles of incorporation of a domestic corporation, the
10 articles of organization of a domestic limited-liability company, the
11 certificate of limited partnership of a domestic limited partnership or
12 the certificate of trust of a domestic business trust may forbid that
13 entity from entering into a merger pursuant to this section.

14 **Sec. 59.** NRS 92A.380 is hereby amended to read as follows:

15 92A.380 1. Except as otherwise provided in NRS 92A.370
16 and 92A.390, any stockholder is entitled to dissent from, and obtain
17 payment of the fair value of his shares in the event of any of the
18 following corporate actions:

19 (a) Consummation of a conversion or plan of merger to which
20 the domestic corporation is a constituent entity:

21 (1) If approval by the stockholders is required for the
22 conversion or merger by NRS 92A.120 to 92A.160, inclusive, or the
23 articles of incorporation, regardless of whether the stockholder is
24 entitled to vote on the conversion or plan of merger; or

25 (2) If the domestic corporation is a subsidiary and is merged
26 with its parent pursuant to NRS 92A.180.

27 (b) Consummation of a plan of exchange to which the domestic
28 corporation is a constituent entity as the corporation whose subject
29 owner's interests will be acquired, if his shares are to be acquired in
30 the plan of exchange.

31 (c) Any corporate action taken pursuant to a vote of the
32 stockholders to the extent that the articles of incorporation, bylaws
33 or a resolution of the board of directors provides that voting or
34 nonvoting stockholders are entitled to dissent and obtain payment
35 for their shares.

36 *(d) Any corporate action not described in paragraph (a), (b) or*
37 *(c) that will result in the stockholder receiving money or scrip*
38 *instead of fractional shares.*

39 2. A stockholder who is entitled to dissent and obtain payment
40 pursuant to NRS 92A.300 to 92A.500, inclusive, may not challenge
41 the corporate action creating his entitlement unless the action is
42 unlawful or fraudulent with respect to him or the domestic
43 corporation.



1 **Sec. 60.** NRS 92A.420 is hereby amended to read as follows:

2 92A.420 1. If a proposed corporate action creating
3 dissenters' rights is submitted to a vote at a stockholders' meeting, a
4 stockholder who wishes to assert dissenter's rights:

5 (a) Must deliver to the subject corporation, before the vote is
6 taken, written notice of his intent to demand payment for his shares
7 if the proposed action is effectuated; and

8 (b) Must not vote his shares in favor of the proposed action.

9 2. *If a proposed corporate action creating dissenters' rights is
10 taken by written consent of the stockholders, a stockholder who
11 wishes to assert dissenters' rights must not consent to or approve
12 the proposed corporate action.*

13 3. A stockholder who does not satisfy the requirements of
14 subsection 1 *or 2* and NRS 92A.400 is not entitled to payment for
15 his shares under this chapter.

16 **Sec. 61.** NRS 92A.430 is hereby amended to read as follows:

17 92A.430 1. ~~[If a]~~ *The subject corporation shall deliver a
18 written dissenter's notice to all stockholders entitled to assert
19 dissenters' rights, except that:*

20 (a) *If the* proposed corporate action creating dissenters' rights is
21 authorized at a stockholders' meeting, ~~[the subject corporation shall
22 deliver a written dissenter's notice to all]~~ *notice need only be given
23 to stockholders who have* satisfied the requirements ~~[to assert those
24 rights.]~~ *of NRS 92A.420; and*

25 (b) *In the case of dissenters' rights created pursuant to
26 paragraph (d) of subsection 1 of NRS 92A.380, notice need only
27 be given to stockholders who would be receiving money or scrip
28 instead of fractional shares.*

29 2. The dissenter's notice must be sent no later than 10 days
30 after the effectuation of the corporate action, and must:

31 (a) State where the demand for payment must be sent and where
32 and when certificates, if any, for shares must be deposited;

33 (b) Inform the holders of shares not represented by certificates
34 to what extent the transfer of the shares will be restricted after the
35 demand for payment is received;

36 (c) Supply a form for demanding payment that includes the date
37 of the first announcement to the news media or to the stockholders
38 of the terms of the proposed action and requires that the person
39 asserting dissenter's rights certify whether or not he acquired
40 beneficial ownership of the shares before that date;

41 (d) Set a date by which the subject corporation must receive the
42 demand for payment, which may not be less than 30 nor more than
43 60 days after the date the notice is delivered; and

44 (e) Be accompanied by a copy of NRS 92A.300 to 92A.500,
45 inclusive.



1 **Sec. 62.** NRS 14.020 is hereby amended to read as follows:

2 14.020 1. Every corporation, *miscellaneous organization*
3 *described in chapter 81 of NRS*, limited-liability company, limited-
4 liability partnership, limited partnership, limited-liability limited
5 partnership, business trust and municipal corporation created and
6 existing under the laws of *this State*, any other state, territory or
7 foreign government, or the Government of the United States, doing
8 business in this State shall appoint and keep in this State a resident
9 agent who resides or is located in this State, upon whom all legal
10 process and any demand or notice authorized by law to be served
11 upon it may be served in the manner provided in subsection 2. The
12 corporation, *miscellaneous organization*, limited-liability company,
13 limited-liability partnership, limited partnership, limited-liability
14 limited partnership, business trust or municipal corporation shall file
15 with the Secretary of State a certificate of acceptance of
16 appointment signed by its resident agent. The certificate must set
17 forth the full name and *street* address of the resident agent. A
18 certificate of change of resident agent must be filed in the manner
19 provided in title 7 of NRS if the corporation, *miscellaneous*
20 *organization*, limited-liability company, limited-liability
21 partnership, limited partnership, limited-liability limited partnership,
22 business trust or municipal corporation desires to change its resident
23 agent. A certificate of name change of resident agent must be filed
24 in the manner provided in title 7 of NRS if the name of a resident
25 agent is changed as a result of a merger, conversion, exchange, sale,
26 reorganization or amendment.

27 2. All legal process and any demand or notice authorized by
28 law to be served upon the ~~foreign~~ corporation, *miscellaneous*
29 *organization*, limited-liability company, limited-liability
30 partnership, limited partnership, limited-liability limited partnership,
31 business trust or municipal corporation may be served upon the
32 resident agent personally or by leaving a true copy thereof with a
33 person of suitable age and discretion at the address *of the registered*
34 *office* shown on the current certificate of acceptance filed with the
35 Secretary of State.

36 3. *The registered office of the corporation, miscellaneous*
37 *organization, limited-liability company, limited-liability*
38 *partnership, limited partnership, limited-liability limited*
39 *partnership, business trust or municipal corporation must be*
40 *staffed during normal business hours by:*

41 (a) *The resident agent; or*

42 (b) *One or more natural persons who are:*

43 (1) *Of suitable age and discretion to receive service of legal*
44 *process and any demand or notice authorized by law to be served*
45 *upon the corporation, miscellaneous organization, limited-liability*



1 *company, limited-liability partnership, limited partnership,*
2 *limited-liability limited partnership, business trust or municipal*
3 *corporation; and*

4 (2) *Authorized by the resident agent to receive service of*
5 *legal process and any demand or notice authorized by law to be*
6 *served upon the corporation, miscellaneous organization, limited-*
7 *liability company, limited-liability partnership, limited partnership,*
8 *limited-liability limited partnership, business trust or municipal*
9 *corporation.*

10 4. *A corporation, miscellaneous organization, limited-liability*
11 *company, limited-liability partnership, limited partnership,*
12 *limited-liability limited partnership, business trust or municipal*
13 *corporation that fails or refuses to comply with the requirements*
14 *of subsection 3 is subject to a fine of not less than \$100 nor more*
15 *than \$500, to be recovered with costs by the State, before any court*
16 *of competent jurisdiction, by action at law prosecuted by the*
17 *Attorney General or by the district attorney of the county in which*
18 *the action or proceeding to recover the fine is prosecuted.*

19 5. Subsection 2 provides an additional mode and manner of
20 serving process, demand or notice and does not affect the validity of
21 any other service authorized by law.

22 6. *As used in this section:*

23 (a) *“Registered office” means the office maintained at the*
24 *street address of the resident agent.*

25 (b) *“Street address” means the actual physical location in this*
26 *State at which a resident agent is available for service of process.*

27 **Sec. 63.** NRS 14.030 is hereby amended to read as follows:

28 14.030 1. If any artificial person described in NRS 14.020
29 fails to appoint a resident agent, or fails to file a certificate of
30 acceptance of appointment for 30 days after a vacancy occurs in the
31 agency, on the production of a certificate of the Secretary of State
32 showing either fact, which is conclusive evidence of the fact so
33 certified to be made a part of the return of service, *or if the*
34 *registered office of the artificial person is not staffed as required*
35 *pursuant to NRS 14.020, which fact is to be made part of the*
36 *return of service,* the artificial person may be served with any and
37 all legal process, or a demand or notice described in NRS 14.020, by
38 delivering a copy to the Secretary of State, or, in his absence, to any
39 deputy secretary of state, and such service is valid to all intents and
40 purposes. The copy must:

41 (a) Include a specific citation to the provisions of this section.
42 The Secretary of State may refuse to accept such service if the
43 proper citation is not included.

44 (b) Be accompanied by a fee of \$10.



1 ➤ The Secretary of State shall keep a copy of the legal process
2 received pursuant to this section in his office for at least 1 year after
3 receipt thereof and shall make those records available for public
4 inspection during normal business hours.

5 2. In all cases of such service, the defendant has 40 days,
6 exclusive of the day of service, within which to answer or plead.

7 3. Before such service is authorized, the plaintiff shall make or
8 cause to be made and filed an affidavit setting forth the facts,
9 showing that due diligence has been used to ascertain the
10 whereabouts of the officers of the artificial person to be served, and
11 the facts showing that direct or personal service on, or notice to, the
12 artificial person cannot be had.

13 4. If it appears from the affidavit that there is a last known
14 address of the artificial person or any known officers thereof, the
15 plaintiff shall, in addition to and after such service on the Secretary
16 of State, mail or cause to be mailed to the artificial person or to the
17 known officer, at such address, by registered or certified mail, a
18 copy of the summons and a copy of the complaint, and in all such
19 cases the defendant has 40 days after the date of the mailing within
20 which to appear in the action.

21 5. This section provides an additional manner of serving
22 process, and does not affect the validity of any other valid service.

23 **Sec. 64.** NRS 41.270 is hereby amended to read as follows:

24 41.270 Any *natural* person desiring to have his name changed
25 may file a verified petition with the clerk of the district court of the
26 district in which he resides. The petition shall be addressed to the
27 court and shall state the applicant's present name, the name which
28 he desires to bear in the future, the reason for desiring the change
29 and whether he has been convicted of a felony.

30 **Sec. 65.** Chapter 100 of NRS is hereby amended by adding
31 thereto the provisions set forth as sections 66 to 69, inclusive, of this
32 act.

33 **Sec. 66.** *Sections 66 to 69, inclusive, of this act may be*
34 *known and cited as the Asset-Backed Securities Facilitation Act.*

35 **Sec. 67.** *1. As used in sections 66 to 69, inclusive, of this*
36 *act, unless the context otherwise requires, the terms*
37 *"securitization" and "securitization transaction" include, without*
38 *limitation, the pooling and repackaging by a special purpose entity*
39 *of assets or other credit exposures that may be sold to investors.*

40 *2. The terms include transactions that create stratified credit*
41 *risk positions whose performance is dependent upon an*
42 *underlying pool of credit exposures, including, without limitation,*
43 *loans and commitments.*

44 *3. The terms must be construed broadly.*



1 **Sec. 68.** *Notwithstanding any other provision of law,*
2 *including, without limitation, NRS 104.9623, to the extent set forth*
3 *in the transaction documents relating to a securitization*
4 *transaction:*

5 1. *Any property, assets or rights purported to be transferred,*
6 *in whole or in part, in the securitization transaction shall be*
7 *deemed to be no longer the property, assets or rights of the*
8 *transferor;*

9 2. *A transferor in the securitization transaction, its creditors*
10 *or, in any insolvency proceeding with respect to the transferor or*
11 *property of the transferor, a bankruptcy trustee, receiver, debtor,*
12 *debtor in possession or similar person, to the extent that the issue*
13 *is governed by the laws of this State, has no rights, legal or*
14 *equitable, to reacquire, reclaim, recover, repudiate, disaffirm,*
15 *redeem or recharacterize as property of the transferor any*
16 *property, assets or rights purported to be transferred, in whole or*
17 *in part, by the transferor; and*

18 3. *In the event of a bankruptcy, receivership or other*
19 *insolvency proceeding with respect to the transferor or property of*
20 *the transferor, to the extent that the issue is governed by the laws*
21 *of this State, such property, assets and rights shall be deemed not*
22 *to be part of the property, assets, rights or estate of the transferor.*

23 **Sec. 69.** *The provisions of sections 66 to 69, inclusive, of this*
24 *act must not be construed or interpreted to:*

25 1. *Require any securitization transaction to be treated as a*
26 *sale for federal or state tax purposes or to preclude the treatment*
27 *of any securitization transaction as debt for federal or state tax*
28 *purposes;*

29 2. *Alter or amend any applicable laws relating to the*
30 *perfection and priority of security ownership interests of persons*
31 *other than the transferor, hypothetical lien creditor or, in the event*
32 *of a bankruptcy, receivership or other insolvency proceeding with*
33 *respect to the transferor or property of the transferor, a*
34 *bankruptcy trustee, receiver, debtor, debtor in possession or*
35 *similar person; or*

36 3. *Alter or amend the tax treatment of securitization*
37 *transactions that take place pursuant to sections 66 to 69,*
38 *inclusive, of this act.*

39 **Sec. 70.** Chapter 602 of NRS is hereby amended by adding
40 thereto a new section to read as follows:

41 *The provisions of this chapter do not authorize a natural*
42 *person to change his name pursuant to this chapter, and a natural*
43 *person who desires to change his name must comply with the*
44 *procedures set forth in NRS 41.270, 41.280 and 41.290.*



1 **Sec. 71.** NRS 602.017 is hereby amended to read as follows:

2 602.017 1. No person may adopt any fictitious name which
3 includes "Corporation," "Corp.," "Incorporated," or "Inc." in its
4 title, unless that person is a corporation organized or qualified to do
5 business pursuant to the laws of this State.

6 2. *No person may adopt any fictitious name which includes*
7 *"Limited-Liability Company," "Limited Liability Company,"*
8 *"Limited Company," or "Limited" or the abbreviations "Ltd.,"*
9 *"L.L.C.," "L.C.," "LLC" or "LC" in its title, unless that person is*
10 *a limited-liability company organized or registered to do business*
11 *pursuant to the laws of this State.*

12 3. *No person may adopt any fictitious name which includes*
13 *"Business Trust" or the abbreviation "B.T." or "BT" unless that*
14 *person is a business trust organized or registered to do business*
15 *pursuant to the laws of this State.*

16 4. *No person may adopt any fictitious name which includes*
17 *"Professional Corporation" or the abbreviation "Prof. Corp.,"*
18 *"P.C." or "PC," or the word "Chartered" or the abbreviation*
19 *"Chtd.," or "Limited" or the abbreviation "Ltd," unless that*
20 *person is a professional corporation organized to do business*
21 *pursuant to the laws of this State.*

22 5. *No person may adopt any fictitious name which includes*
23 *"Professional Association," "Professional Organization" or the*
24 *abbreviations "Prof. Ass'n" or "Prof. Org." unless that person is a*
25 *professional association organized to do business pursuant to the*
26 *laws of this State.*

27 6. *No natural person may adopt any fictitious name which*
28 *appears to be the name of a natural person unless the name*
29 *includes an additional word or words which indicate that the*
30 *fictitious name is not the name of a natural person.*

31 7. No county clerk may accept for filing a certificate which
32 violates any provision of this chapter.



