

ASSEMBLY BILL NO. 25—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE SECRETARY OF STATE)

PREFILED JANUARY 26, 2007

Referred to Committee on Judiciary

SUMMARY—Makes various changes to provisions governing business associations. (BDR 7-544)

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 **fomitted-material** is material to be omitted.

AN ACT relating to business associations; revising the provisions pertaining to the name of a foreign limited partnership; making various other changes pertaining to business associations; providing for the correction of certain records filed with the Office of the Secretary of State; applying prospectively the requirements applicable to certain documents filed with the Office of the Secretary of State that contain certain identifying terms relating to architecture, interior design or residential design; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 4 of this bill allows a foreign limited partnership to abbreviate its name. (NRS 88.585)

Section 7 of this bill authorizes the Secretary of State to adopt regulations prescribing procedures for correcting certain fraudulent or false records filed with the Office of the Secretary of State.

Section 8 of this bill amends Assembly Bill No. 26 of this session to apply prospectively the provisions of that bill which add requirements applicable to certain documents filed with the Office of the Secretary of State that contain certain identifying terms relating to architecture, interior design or residential design.



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

Section 1. NRS 86.263 is hereby amended to read as follows:

86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State, file with the Secretary of State, on a form furnished by him, a list that contains:

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

(b) The file number of the limited-liability company, if known;

(c) The names and titles of all of its managers or, if there is no manager, all of its managing members;

(d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member;

(e) The name and street address of its lawfully designated resident agent in this State; and

(f) The signature of a manager or managing member of the limited-liability company certifying that the list is true, complete and accurate.

2. The limited-liability company shall ~~annually~~ thereafter, on or before the last day of the month in which the anniversary date of its organization occurs, file with the Secretary of State, on a form furnished by him, an ~~amended~~ **annual** list containing all of the information required in subsection 1.

3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that the limited-liability company:

(a) Has complied with the provisions of NRS 360.780; and

(b) Acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

4. Upon filing:

(a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of \$125.

(b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of \$125.

5. If a manager or managing member of a limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of \$75 to file the resignation.

6. The Secretary of State shall, 90 days before the last day for filing each list required by subsection 2, cause to be mailed to each limited-liability company which is required to comply with the



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provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file a list required by subsection 2. Failure of any company to receive a notice or form does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 88.585 is hereby amended to read as follows:

88.585 Except as otherwise provided in NRS 88.609, a foreign limited partnership may register with the Secretary of State under any name, whether or not it is the name under which it is registered in its state of organization, that ~~includes without abbreviation~~ contains the words "limited partnership" or the abbreviation "LP" or "L.P." and that could be registered by a domestic limited partnership.

Sec. 5. NRS 92A.205 is hereby amended to read as follows:

92A.205 1. After a plan of conversion is approved as required by this chapter, if the resulting entity is a domestic entity, the constituent entity shall deliver to the Secretary of State for filing:

(a) Articles of conversion setting forth:

(1) The name and jurisdiction of organization of the constituent entity and the resulting entity; and

(2) That a plan of conversion has been adopted by the constituent entity in compliance with the law of the jurisdiction governing the constituent entity.

(b) The charter document of the domestic resulting entity required by the applicable provisions of chapter 78, 78A, ~~82,~~ 86, 88, 88A or 89 of NRS.

(c) A certificate of acceptance of appointment of a resident agent for the resulting entity which is signed by the resident agent.

2. After a plan of conversion is approved as required by this chapter, if the resulting entity is a foreign entity, the constituent entity shall deliver to the Secretary of State for filing articles of conversion setting forth:

(a) The name and jurisdiction of organization of the constituent entity and the resulting entity;

(b) That a plan of conversion has been adopted by the constituent entity in compliance with the laws of this State; and



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(c) The address of the resulting entity where copies of process may be sent by the Secretary of State.

3. If the entire plan of conversion is not set forth in the articles of conversion, the filing party must include in the articles of conversion a statement that the complete signed plan of conversion is on file at the registered office or principal place of business of the resulting entity or, if the resulting entity is a domestic limited partnership, the office described in paragraph (a) of subsection 1 of NRS 88.330.

4. If the conversion takes effect on a later date specified in the articles of conversion pursuant to NRS 92A.240, the charter document to be filed with the Secretary of State pursuant to paragraph (b) of subsection 1 must state the name and the jurisdiction of the constituent entity and that the existence of the resulting entity does not begin until the later date.

5. Any records filed with the Secretary of State pursuant to this section must be accompanied by the fees required pursuant to this title for filing the charter document.

Sec. 6. (Deleted by amendment.)

Sec. 7. NRS 225.084 is hereby amended to read as follows:

225.084 1. A person shall not willfully file, promote the filing of, or cause to be filed, or attempt or conspire to file, promote the filing of, or cause to be filed, any record in the Office of the Secretary of State if the person has actual knowledge that the record:

(a) Is forged or fraudulently altered;

(b) Contains a false statement of material fact; or

(c) Is being filed in bad faith or for the purpose of harassing or defrauding any person.

2. Any person who violates this section is liable in a civil action brought pursuant to this section for:

(a) Actual damages caused by each separate violation of this section, or \$10,000 for each separate violation of this section, whichever is greater;

(b) All costs of bringing and maintaining the action, including investigative expenses and fees for expert witnesses;

(c) Reasonable attorney's fees; and

(d) Any punitive damages that the facts may warrant.

3. A civil action may be brought pursuant to this section by:

(a) Any person who is damaged by a violation of this section, including, without limitation, any person who is damaged as the result of an action taken in reliance on a record filed in violation of this section; or

(b) The Attorney General, in the name of the State of Nevada, if the matter is referred to the Attorney General by the Secretary of State and if the Attorney General, after due inquiry, determines that



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1 a civil action should be brought pursuant to this section. Any money
2 recovered by the Attorney General pursuant to this paragraph, after
3 deducting all costs and expenses incurred by the Attorney General
4 and the Secretary of State to investigate and act upon the violation,
5 must be deposited in the State General Fund.

6 4. For the purposes of this section, each filing of a single
7 record that constitutes a violation of this section shall be deemed to
8 be a separate violation.

9 5. The rights, remedies and penalties provided pursuant to this
10 section are cumulative and do not abrogate and are in addition to
11 any other rights, remedies and penalties that may exist at law or in
12 equity, including, without limitation, any criminal penalty that may
13 be imposed pursuant to NRS 239.330.

14 6. *The Secretary of State may adopt regulations prescribing*
15 *procedures for correcting any record filed in violation of this*
16 *section.*

17 7. As used in this section, "record" means information that is:

18 (a) Inscribed on a tangible medium or that is stored in an
19 electronic or other medium and is retrievable in perceivable form;
20 and

21 (b) Filed or offered for filing by a person pursuant to any
22 provision of title 7 of NRS or Article 9 of the Uniform Commercial
23 Code.

24 **Sec. 8.** Assembly Bill No. 26 of this session is hereby
25 amended by adding thereto a new section to be designated as sec.
26 6.5, following sec. 6, to read as follows:

27 Sec. 6.5. The amendatory provisions of this act do not
28 apply to a:

29 1. Corporation that files its articles of incorporation with
30 the Secretary of State;

31 2. Foreign corporation that files the records required
32 pursuant to subsection 1 of NRS 80.010 or NRS 80.110 with
33 the Secretary of State;

34 3. Nonprofit corporation that files its articles of
35 incorporation with the Secretary of State;

36 4. Limited-liability company that files its articles of
37 organization with the Secretary of State;

38 5. Registered limited-liability partnership that files its
39 certificate of registration with the Secretary of State; or

40 6. Limited partnership that files its certificate of limited
41 partnership with the Secretary of State,

42 ➡ before the effective date of this act.



- 1 **Sec. 9.** 1. This section and section 8 of this act become
2 effective upon passage and approval.
3 2. Sections 1 to 7, inclusive, of this act become effective on
4 October 1, 2007.

