MAINE STATE LEGISLATURE

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LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

FIRST SPECIAL SESSION August 21, 2003 to August 22, 2003

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PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4.

> Penmor Lithographers Lewiston, Maine 2004

his the member's accumulated contributions, under the following conditions.

See title page for effective date.

CHAPTER 631

H.P. 1289 - L.D. 1767

An Act To Amend the Laws Relating to Corporations, Limited Partnerships, Limited Liability Companies and Limited Liability Partnerships

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Maine Revised Statutes, Title 13-C, which governs domestic and foreign corporations in Maine, became effective on July 1, 2003, and changes to that law and other entity laws administered by the Secretary of State must be in place by July 1, 2004, in order for the Secretary of State to properly administer these laws; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 13-B MRSA §111 is enacted to read:

§111. Certificate of existence; certificate of authority; certificate of fact

- 1. Application. Any person may apply to the Secretary of State for a certificate of existence for a domestic corporation or a certificate of authority for a foreign corporation.
- **2. Contents.** A certificate of existence or certificate of authority sets forth:
 - A. The corporation's name used in this State;
 - B. That, if a domestic corporation, the corporation is duly incorporated under the laws of this State and the date of its incorporation;
 - C. That, if a foreign corporation, the foreign corporation is authorized to carry on activities in this State, the date on which the corporation was authorized to carry on activities in this State and its jurisdiction of incorporation;

- D. That all fees and penalties owed to this State have been paid if:
 - (1) Payment is reflected in the records of the Secretary of State; and
 - (2) Nonpayment affects the existence or authorization of the domestic or foreign corporation;
- E. That the corporation's most recent annual report required by section 1301 has been delivered to the Secretary of State; and
- F. Any facts of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- 3. Evidence of existence or authority. Subject to any qualification stated in the certificate, a certificate of existence or certificate of authority issued by the Secretary of State may be relied upon as conclusive evidence that the domestic or foreign corporation is in existence or is authorized to carry on activities in this State.
- 4. Certificate of fact. In addition to the certificate authorized under subsection 2, the Secretary of State may issue a certificate attesting to any fact of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- **Sec. 2. 13-B MRSA §305, sub-§4,** as enacted by PL 1989, c. 501, Pt. L, §39, is repealed.
- Sec. 3. 13-B MRSA §§1112 to 1116 are enacted to read:

§1112. Grounds for administrative dissolution

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 1113 to administratively dissolve a corporation if:

- 1. Nonpayment of fees or penalties. The corporation does not pay when they are due any fees or penalties imposed by this Title or other law;
- 2. Failure to file annual report. The corporation does not deliver its annual report to the Secretary of State as required by section 1301;
- 3. Failure to pay late filing penalty. The corporation does not pay the annual report late filing penalty as required by section 1302;
- 4. Failure to maintain registered agent or registered office. The corporation fails to appoint or maintain a registered agent or registered office in this State as required by section 304;

- 5. Failure to notify of change of registered agent or registered office. The corporation does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 305; or
- **6. Filing of false information.** An incorporator, director, officer or agent of the corporation signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing.

§1113. Procedure for and effect of administrative dissolution

- 1. Notice of determination to administratively dissolve corporation. If the Secretary of State determines that one or more grounds exist under section 1112 for dissolving a corporation, the Secretary of State shall issue a written notice of that determination to the corporation's last registered office address.
- 2. Administrative dissolution. The corporation is administratively dissolved if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the corporation has failed to correct the ground or grounds for the dissolution. The Secretary of State shall send notice to the corporation at its last registered office address that recites the ground or grounds for dissolution and the effective date of dissolution.
- 3. Effect of administrative dissolution; prohibition. A corporation administratively dissolved continues its corporate existence but may not carry on any activities in this State except as necessary to wind up the activities of the corporation.
- **4. Authority of registered agent.** The administrative dissolution of a corporation does not terminate the authority of its registered agent.
- 5. Protecting corporate name after administrative dissolution. The name of a corporation remains in the Secretary of State's record of corporate names and is protected for a period of 3 years following administrative dissolution.
- 6. Notice to Attorney General in case of public benefit corporation. In the case of a public benefit corporation, the Secretary of State shall notify the Attorney General of the administrative dissolution of the corporation under this section.

§1114. Reinstatement following administrative dissolution

1. Application for reinstatement. A corporation administratively dissolved under section 1113

- may apply to the Secretary of State for reinstatement within 6 years after the effective date of dissolution. The application must:
 - A. State the name of the corporation and the effective date of its administrative dissolution;
 - B. State that the ground or grounds for dissolution either did not exist or have been eliminated; and
 - C. State that the corporation's name satisfies the requirements of section 301-A.
- 2. Reinstatement after administrative dissolution. If the Secretary of State determines that the application contains the information required under subsection 1 and is accompanied by the reinstatement fee set forth in section 1401, subsection 35, and that the information is correct, the Secretary of State shall cancel the administrative dissolution and prepare a notice of reinstatement that recites that determination and the effective date of reinstatement. The Secretary of State shall send notice to the corporation at its last registered office address.
- 3. Effect of reinstatement. When the reinstatement is effective under subsection 2, it relates back to and takes effect as of the effective date of the administrative dissolution, and the corporation resumes activities as if the administrative dissolution had not occurred.

§1115. Appeal from denial of reinstatement

- 1. Denial of reinstatement. If the Secretary of State denies a corporation's application for reinstatement following administrative dissolution, the Secretary of State shall mail a written notice that explains the reason or reasons for denial to the corporation at its last registered office address.
- 2. Appeal. A corporation may appeal a denial of reinstatement under subsection 1 to the Superior Court of the county where the corporation's principal office is located or, if there is no principal office in this State, in Kennebec County within 30 days after the date of the notice of denial. The corporation appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the Secretary of State's notice of administrative dissolution, the corporation's application for reinstatement and the Secretary of State's notice of denial.
- 3. Court action. The court may summarily order the Secretary of State to reinstate an administratively dissolved corporation or may take other action the court considers appropriate.

4. Final decision. The court's final decision in an appeal under this section may be appealed as in other civil proceedings.

§1116. Reinstatement of suspended corporate charter

- 1. Reinstatement after charter suspension. A corporation whose charter was suspended before July 1, 2004 may apply to the Secretary of State for reinstatement and the reinstatement may be granted, if:
 - A. The Secretary of State determines that the application contains the information required under section 1114, subsection 1;
 - B. The application for reinstatement is accompanied by the reinstatement fee set forth in section 1401, subsection 35; and
 - C. The application for reinstatement is received by the Secretary of State by June 30, 2010.
- 2. Effect on corporation failing to reinstate by June 30, 2010. A corporation that fails to meet the requirements of subsection 1 is administratively dissolved and may not reinstate.
- 3. Protecting corporate name after suspension. The name of a corporation whose charter is suspended remains in the Secretary of State's record of corporate names and is protected for a period of 3 years following its suspension.
- **Sec. 4. 13-B MRSA §1210,** as amended by PL 2003, c. 344, Pt. B, §20, is repealed.
- Sec. 5. 13-B MRSA §§1210-A to 1210-C are enacted to read:

§1210-A. Grounds for revocation

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 1210-B to revoke the authority of a foreign corporation authorized to carry on activities in this State if:

- 1. Nonpayment of fees or penalties. The foreign corporation does not pay when they are due any fees or penalties imposed by this Act or other law;
- 2. Failure to file annual report. The foreign corporation does not deliver its annual report to the Secretary of State as required by section 1301;
- 3. Failure to pay late filing penalty. The foreign corporation does not pay the annual report late filing penalty as required by section 1302;
- 4. Failure to maintain registered agent or registered office. The foreign corporation fails to

appoint or maintain a registered agent or registered office in this State as required by section 1212;

- 5. Failure to notify of change of registered agent or registered office. The foreign corporation does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 1212;
- **6. Filing of false information.** An incorporator, director, officer or agent of the foreign corporation signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing; or
- 7. Authenticated certificate of dissolution or merger. The Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of corporate records in the state or country under whose law the foreign corporation is incorporated stating that the foreign corporation has been dissolved or has disappeared as the result of a merger.

§1210-B. Procedure for and effect of revocation

- 1. Notice of determination. If the Secretary of State determines that one or more grounds exist under section 1210-A for the revocation of authority, the Secretary of State shall issue a written notice of that determination to the foreign corporation's last registered office in this State and to its last registered or principal office in its jurisdiction of incorporation.
- 2. Revocation. The foreign corporation's authority is revoked if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the foreign corporation has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the foreign corporation, at its last registered office address in this State and to its last registered or principal office address in its jurisdiction of incorporation, that recites the ground or grounds for revocation and the effective date of revocation.
- 3. Authority to carry on activities ceases. The authority of a foreign corporation to carry on activities in this State ceases on the date of revocation of its authority.
- 4. Secretary of State appointed as agent for service of process. The Secretary of State's revocation of a foreign corporation's authority appoints the Secretary of State as the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to carry on activities in this State. Service of process on the Secretary of State

under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the foreign corporation at its principal office shown in its most recent annual report or in any subsequent communication received from the corporation stating the current mailing address of its principal office or, if no other address is on file, in its application for authority.

- 5. Registered agent; not terminated. Revocation of a foreign corporation's authority to carry on activities in this State does not terminate the authority of the registered agent of the corporation.
- 6. Authorization after revocation. A foreign corporation whose authority to carry on activities in this State has been revoked under this section and that wishes to carry on activities again in this State must be authorized as provided in this chapter.

§1210-C. Appeal from revocation

- 1. Petition to appeal revocation. A foreign corporation may appeal the Secretary of State's revocation of its authority to the Kennebec County Superior Court within 30 days after the notice of revocation. The foreign corporation may appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its application for authority and the Secretary of State's notice of revocation.
- 2. Court order. The court may summarily order the Secretary of State to reinstate the authority or may take any other action the court considers appropriate.
- 3. Appeal of court's decision. The court's final decision may be appealed as in other civil proceedings.
- Sec. 6. 13-B MRSA §1301-C is enacted to read:

§1301-C. Amended annual report of domestic or foreign corporation

- 1. Amended annual report. If the information contained in an annual report filed under section 1301 has changed, a corporation may, if it determines it to be necessary, deliver to the Secretary of State for filing an amended annual report to change the information on file. The amended annual report must be executed as provided by section 1301, subsection 3.
- 2. Contents. The amended annual report must set forth:
 - A. The name of the domestic or foreign corporation and the jurisdiction of its incorporation;

- B. The date on which the original annual report was filed; and
- C. The information that has changed and the date on which it changed.
- 3. Period for filing. An amended annual report may be filed by the corporation after the date of the original filing and until December 31st of that filing year.
- **Sec. 7. 13-B MRSA §1302,** as amended by PL 2001, c. 550, Pt. C, §27 and affected by §29, is further amended to read:

\$1302. Failure to file annual report; incorrect report; penalties

- 1. Failure to file annual report; penalty. Any A domestic or foreign corporation that is required to deliver an annual report for filing, as provided by section 1301, and that fails to deliver its properly completed annual report to the Secretary of State shall pay the sum of \$10 for each failure to file on time, in addition to the regular annual report fee, the late filing penalty described in section 1401, subsection 34, as long as the report is received by the Secretary of State prior to administrative dissolution or revocation. Upon a corporation's failure to file the annual report and to pay the annual report fee and or the penalty, the Secretary of State, notwithstanding Title 4, chapter 5 and Title 5, chapter 375, shall revoke a foreign corporation's authority to carry on activities in this State and suspend administratively dissolve a domestic corporation from carrying on activities. The Secretary of State shall use the procedures set forth in section 1210, relative 1113 to administratively dissolve a domestic corporation and the procedures set forth in section 1210-B to revoking the right of revoke a foreign corporations corporation's authority to carry on activities in this State, for suspending domestic corporations. A foreign corporation whose authority to carry on activities in this State has been revoked under this subsection that wishes to carry on activities again in this State must be authorized as provided in section 1202. A domestic corporation that has been suspended under this subsection may be reinstated by filing the current annual report and by paying the penalty A domestic corporation that has been administratively dissolved under section 1113 must follow the requirements set forth in section 1114 to reinstate.
- **2. Nonconformity.** If the Secretary of State finds that an annual report of a domestic or foreign corporation delivered for filing does not conform with the requirements of section 1301, the Secretary of State may return the report for correction.
- **3.** Excusable neglect. If the annual report of a domestic or foreign corporation is not received by the

- Secretary of State <u>delivered</u> for filing within the time specified in section 1301, the corporation is excused from the liability provided in this section and from any other penalty for failure to timely file the report if it establishes, to the satisfaction of the Secretary of State, that its failure to file was the result of excusable neglect and it furnishes the Secretary of State a copy of <u>that the</u> report within 30 days after it learns of the nondelivery of that the Secretary of State failed to receive the original report.
- 4. Notice to Attorney General in case of public benefit corporation. In the case of a public benefit corporation, the Secretary of State shall notify the Attorney General of the suspension of the corporation's authority to carry on activities under subsection 1.
- Sec. 8. 13-B MRSA §1401, sub-§26, as amended by PL 1993, c. 316, §46, is repealed and the following enacted in its place:
- **26. Issuing certificate.** For issuing a certificate of existence, certificate of authority or certificate of fact as provided by section 111 or 1306, \$10 per certificate;
- **Sec. 9. 13-B MRSA §1401, sub-§31-A** is enacted to read:
- 31-A. Amended annual report. An amended annual report of a domestic or foreign corporation as provided by section 1301-C, \$10;
- **Sec. 10. 13-B MRSA §1401, sub-§32,** as repealed and replaced by PL 1993, c. 349, §38, is amended to read:
- **32. Document preclearance.** Preclearance of any document for filing, \$100; and
- **Sec. 11. 13-B MRSA \$1401, sub-\$33,** as enacted by PL 1991, c. 780, Pt. U, \$23, is repealed.
- Sec. 12. 13-B MRSA §1401, sub-§§34 and 35 are enacted to read:
- 34. Late filing; penalty. For failing to deliver an annual report by its due date, in addition to the annual report filing fee, \$10; and
- 35. Reinstatement fee after administrative dissolution of domestic or foreign corporation. For failure to file an annual report, \$10 for each period of delinquency; for failure to pay the annual report late filing penalty, \$10; for failure to appoint or maintain a registered agent or registered office, \$10; for failure to notify the Secretary of State that its registered agent or registered office has been changed, that its registered agent has resigned or that its registered office has been

- discontinued, \$10; and for filing false information, \$10.
- **Sec. 13. 13-C MRSA §123, sub-§1, ¶AA,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
 - AA. For an amended application for authority, the fee is \$70, except that for a change in address of a foreign corporation's principal office, wherever located, as provided by section 1504, subsection 2, paragraph E, the fee is \$35.
- **Sec. 14. 13-C MRSA §123, sub-§1, ¶NN** is enacted to read:
 - NN. For preclearance of any document for filing, the fee is \$100.
- **Sec. 15. 13-C MRSA §130, sub-§2, ¶A,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
 - A. The domestic corporation's corporate name or the foreign corporation's corporate name used in this State;
- **Sec. 16. 13-C MRSA §651, sub-§7**, as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
- 7. Indebtedness issued as a distribution. Indebtedness of a corporation, including indebtedness issued as a distribution, is not considered a liability for purposes of determinations under subsection 3 if the terms of the indebtedness provide that payment of principal and interest are made only if and to the extent that payment of a distribution to shareholders could then be made under this section. If the indebtedness on those terms is issued as a distribution, each payment of principal or interest is treated as a distribution, the effect of which is measured on the date the payment is actually made.
- **Sec. 17. 13-C MRSA §826,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:

§826. Committees

- 1. Create committees. Unless this Act, the articles of incorporation or the bylaws provide otherwise, a corporation's board of directors may create one or more committees and appoint one or more members of the corporation's board of directors to serve on them each of those committees. Each committee must have 2 or more members, who serve at the pleasure of the corporation's board of directors.
- **2. Approval of committee.** The <u>Unless this Act</u> <u>otherwise provides, the</u> creation of a committee and

appointment of members to a committee must be approved by the greater of:

- A. A majority of all the directors in office when the action is taken; or and
- B. The number of directors required by the corporation's articles of incorporation or bylaws to take action under section 825.
- **3. Requirements apply to committees.** Sections 821 to 825 apply both to committees of the board and their to the members of such committees.
- **4. Authority.** To the extent specified by the corporation's board of directors or in the corporation's articles of incorporation or bylaws, except as provided in subsection 5, each committee may exercise the authority of the corporation's board of directors under section 801.
 - **5. Limits on authority.** A committee may not:
 - A. Authorize <u>or approve</u> distributions <u>except according to a formula or method or within limits that the corporation's board of directors prescribes;</u>
 - B. Approve or propose to shareholders action that this Act requires be approved by shareholders:
 - C. Fill vacancies on the corporation's board of directors or, subject to subsection 7, on any of its committees; or
 - D. Amend a corporation's articles of incorporation pursuant to section 1005;
 - E. Adopt, amend or repeal a the corporation's bylaws;
 - F. Approve a plan of merger not requiring shareholder approval;
 - G. Authorize or approve reacquisition of shares, except according to a formula or method prescribed by the corporation's board of directors; or
 - H. Authorize or approve the issuance or sale or contract for sale of shares or determine the designation and relative rights, preferences and limitations of a class or series of shares, except that the board of directors may authorize a committee or a senior executive officer of the corporation to do so within limits specifically prescribed by the corporation's board of directors.
- **6. Standards of conduct.** The creation of, delegation of authority to or action by a committee

does not alone constitute compliance by a director with the standards of conduct described in section 831.

- 7. Committee member alternates. A corporation's board of directors may appoint one or more directors as alternate members of any committee to replace any absent or disqualified members during the absence or disqualification. Unless the corporation's articles of incorporation or the bylaws or the resolution creating the committee provides otherwise, in the event of the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting may appoint by unanimous vote another director to act in place of the absent or disqualified member.
- **Sec. 18. 13-C MRSA §833,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:

§833. Director's liability for unlawful distributions

- 1. **Personal liability.** A director who votes for or assents to a distribution in excess of what may be authorized and made pursuant to section 651, subsection 1 or section 1410, subsection 1 is personally liable to the corporation for the amount of the distribution that exceeds what could have been distributed without violating section 651, subsection 1 or section 1410, subsection 1 if the party asserting liability establishes that when taking the action the director did not comply with section 831.
- **2. Contribution; recoupment.** A director held liable under subsection 1 for an unlawful distribution is entitled to:
 - A. A contribution from every other director who could be held liable under subsection 1 for the unlawful distribution; and
 - B. Recoupment from each shareholder of the pro rata portion of the amount of the unlawful distribution the shareholder accepted, knowing the distribution was made in violation of section 651, subsection 1 or section 1410, subsection 1.
- 3. Proceeding to enforce liability; 2-year period. A proceeding to enforce the liability of a director under subsection 1 is barred unless it is commenced within 2 years after the date on which the effect of the distribution was measured under section 651, subsection 5 or 7 or as of which the violation of section 651, subsection 1 occurred as the consequence of disregard of a restriction in the corporation's articles of incorporation.:
 - A. On which the effect of the distribution was measured under section 651, subsection 5 or 7;

- B. As of which the violation of section 651, subsection 1 occurred as the consequence of disregard of a restriction in the corporation's articles of incorporation; or
- C. On which the distribution of assets to shareholders under section 1410, subsection 1 was made.
- 4. Proceeding to enforce contribution or recoupment; one-year period. A proceeding to enforce a contribution or recoupment under subsection 2 is barred unless it is commenced within one year after the liability of the claimant has been finally adjudicated under subsection 1.
- **Sec. 19. 13-C MRSA §841,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:

§841. Offices

- 1. Offices. A corporation must have has the officers offices described in its bylaws or appointed designated by the corporation's board of directors in accordance with the bylaws.
- 2. Appointment of officers. A duly appointed The board of directors may elect individuals to fill one or more offices of the corporation. An officer may appoint one or more officers or assistant officers if authorized by the bylaws or the corporation's board of directors.
- **3. Responsibility for minutes and shareholder records.** The bylaws or the corporation's board of directors shall delegate assign to one of the officers responsibility for preparing minutes of the directors' and shareholders' meetings and for maintaining and authenticating the records of the corporation that section 1601, subsections 1 and 3 require to be kept.
- **4. Multiple positions.** The same individual may simultaneously hold more than one office in a corporation.
- **Sec. 20. 13-C MRSA §843, sub-§2,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is repealed.
- **Sec. 21. 13-C MRSA §843, sub-§2-A** is enacted to read:
- **2-A.** Basis for reliance. In discharging the duties under section 842, an officer who does not have knowledge that makes reliance unwarranted is entitled to rely on:
 - A. The performance of properly delegated responsibilities by one or more employees of the corporation whom the officer reasonably believes

- to be reliable and competent in performing the responsibilities delegated; and
- B. Information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by:
 - (1) One or more employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or
 - (2) Legal counsel, public accountants or other persons retained by the corporation as to matters involving skills or expertise the officer reasonably believes are matters within the particular person's professional or expert competence or as to which the particular person merits confidence.
- **Sec. 22. 13-C MRSA §1104, sub-§4,** as amended by PL 2003, c. 344, Pt. B, §98, is further amended to read:
- 4. Notice of meeting. If the plan of merger or share exchange under this chapter is required by the corporation's articles of incorporation to be approved by the shareholders and if the approval is to be given at a meeting of shareholders, the corporation shall notify each shareholder, whether or not entitled to vote, of the meeting of shareholders at which the plan is to be submitted for approval. The notice must state that the purpose or one of the purposes of the meeting is to consider the plan and must contain or be accompanied by a copy or summary of the plan. If the corporation is to be merged into an existing corporation or eligible entity, the notice also must include or be accompanied by a copy or summary of the articles of incorporation or organizational documents of that corporation or eligible entity. If the corporation is to be merged into a corporation or eligible entity that is to be created pursuant to the merger, the notice also must include or be accompanied by a copy or a summary of the articles of incorporation or organizational documents of the new corporation or eligible
- **Sec. 23. 13-C MRSA §1408, sub-§3, ¶C,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
 - C. A claimant whose claim is contingent on or is based on an event occurring after the effective date of dissolution.
- **Sec. 24. 13-C MRSA §1420, sub-§§1 to 5,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, are amended to read:
- 1. Nonpayment of fees or penalties. The corporation does not pay within 60 days after when they

are due any fees or penalties imposed by this Act or other law;

- **2. Failure to file annual report.** The corporation does not deliver its annual report to the Secretary of State within 60 days after it is due as required by section 1621;
- **3. Failure to pay late filing penalty.** The corporation does not pay the annual report late filing penalty, if required, within 60 days after it is due as required by section 1622;
- 4. Failure to maintain clerk or registered office. The corporation is without fails to appoint or maintain a clerk or registered office in this State for 60 days or more as required by section 501;
- **5. Failure to notify of change of clerk or registered office.** The corporation does not notify the Secretary of State within 60 days that its clerk or registered office has been changed, or that its clerk has resigned or that its registered office has been discontinued as required by section 501; or
- Sec. 25. 13-C MRSA \$1421, sub-\$\$2 and 3, as enacted by PL 2001, c. 640, Pt. A, \$2 and affected by Pt. B, \$7, are amended to read:
- 2. Administrative dissolution. If a The corporation does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the Secretary of State that each ground determined by the Secretary of State does not exist is administratively dissolved if within 60 days after service of the notice under subsection 1 was issued and is perfected under section 502, the Secretary of State shall administratively dissolve the corporation by issuing a notice of dissolution determines that the corporation has failed to correct the ground or grounds for the dissolution. The Secretary of State shall send notice to the corporation at its last registered office address that recites the ground or grounds for dissolution and the effective date of dissolution. The Secretary of State shall use the procedures set forth in section 502 to send notice to the corporation.
- **3.** Effect of administrative dissolution; prohibition. A corporation administratively dissolved continues its corporate existence but may not transact any business in this State except that as necessary to wind up and liquidate its business and affairs under section 1406 and notify claimants under sections 1407 and 1408.
- **Sec. 26. 13-C MRSA §1421, sub-§6,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is repealed.
- **Sec. 27. 13-C MRSA §1421, sub-§7** is enacted to read:

- 7. Notice to Superintendent of Financial Institutions in case of financial institution or credit union. In the case of a financial institution authorized to do business in this State or a credit union authorized to do business in this State, as defined in Title 9-B, the Secretary of State shall notify the Superintendent of Financial Institutions within a reasonable time prior to administratively dissolving the financial institution or credit union under this section.
- **Sec. 28. 13-C MRSA §1510, sub-§2,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
- **2. Method of service.** A foreign corporation may be served by registered or certified mail, return receipt requested, addressed to the secretary an officer of the foreign corporation at its principal office shown in its application for authority, in any subsequent communication received from the corporation stating the current mailing address of its principal office or in its most recent annual report if the foreign corporation:
 - A. Has no registered agent or its registered agent can not with reasonable diligence be served;
 - B. Has withdrawn from transacting business in this State under section 1521; or
 - C. Has had its authority revoked under section 1532
- **Sec. 29. 13-C MRSA §1531,** as amended by PL 2003, c. 344, Pt. B, §130, is repealed.
- Sec. 30. 13-C MRSA §1531-A is enacted to read:

§1531-A. Grounds for revocation

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 1532 to revoke the authority of a foreign corporation authorized to transact business in this State if:

- 1. Nonpayment of fees or penalties. The foreign corporation does not pay when they are due any fees or penalties imposed by this Title or other law;
- 2. Failure to file annual report. The foreign corporation does not deliver its annual report to the Secretary of State as required by section 1621;
- 3. Failure to pay late filing penalty. The foreign corporation does not pay the annual report late filing penalty as required by section 1622;
- 4. Failure to maintain registered agent or registered office. The foreign corporation fails to appoint or maintain a registered agent or registered office in this State as required by section 1507;

- 5. Failure to notify of change of registered agent or registered office. The foreign corporation does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 1507;
- 6. Filing of false information. An incorporator, director, officer or agent of the foreign corporation signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing; or
- 7. Authenticated certificate of dissolution or merger. The Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of corporate records in the state or country under whose law the foreign corporation is incorporated stating that the foreign corporation has been dissolved or has disappeared as the result of a merger in its jurisdiction of incorporation.
- **Sec. 31. 13-C MRSA §1532, sub-§§1 and 2,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, are amended to read:
- 1. Notice of determination. If the Secretary of State determines that one or more grounds exist under section 1531 1531-A for the revocation of authority, the Secretary of State shall serve the foreign corporation with written notice of the Secretary of State's determination under section 1510.
- 2. Revocation. If the The foreign corporation does not correct each ground for revocation or demonstrate to the reasonable satisfaction of the Secretary of State that each ground determined by the Secretary of State does not exist corporation's authority is revoked if within 60 days after service of the notice under subsection 1 was issued and is perfected under section 1510, the Secretary of State may revoke the foreign corporation's authority to transact business in this State by issuing a notice of revocation determines that the foreign corporation has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the foreign corporation at its last registered office address in this State and to its last registered or principal office address in its jurisdiction of incorporation that recites the ground or grounds for revocation and its the effective date of revocation. The Secretary of State shall follow the procedures set forth in section 1510 when issuing the notice of revocation.
- **Sec. 32. 13-C MRSA §1532, sub-§4,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:

- 4. Secretary of State appointed as agent for service of process. The Secretary of State's revocation of a foreign corporation's authority appoints the Secretary of State as the foreign corporation's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign corporation was authorized to transact business in this State. Service of process on the Secretary of State under this subsection is service on the foreign corporation. Upon receipt of process, the Secretary of State shall mail a copy of the process to the secretary an officer of the foreign corporation at its principal office shown in its most recent annual report or in any subsequent communication received from the corporation stating the current mailing address of its principal office or, if no other address is on file, in its application for authority.
- **Sec. 33. 13-C MRSA §1532, sub-§6,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
- **6.** Authorization after revocation. A foreign corporation whose authority to transact business in this State has been revoked under section 1531 1532 that wishes to transact business again in this State must be authorized as provided in this chapter.
- **Sec. 34. 13-C MRSA §1622, sub-§1,** as enacted by PL 2001, c. 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:
- **1. Penalty.** A domestic or foreign corporation required to deliver an annual report for filing as provided by section 1621 that fails to deliver its properly completed annual report to the Secretary of State shall pay, in addition to the regular annual report fee, the late filing penalty described in section 123, subsection 1, paragraph EE, as long as the report is received by the Secretary of State prior to administrative dissolution or revocation. Upon a corporation's failure to file the annual report and to pay the annual report fee or the penalty, the Secretary of State, notwithstanding Title 4, chapter 5 and Title 5, chapter 375, shall revoke a foreign corporation's authority to do business in this State and administratively dissolve a domestic corporation. The Secretary of State shall use the procedures set forth in section 1421 to administratively dissolve a corporation and the procedures set forth in section 1532 to revoke a foreign corporation's authority to do business in this State. A domestic corporation that has been administratively dissolved under this subsection may be reinstated by filing the current annual report, together with the current annual filing fee, and by paying the reinstatement fee described in section 123, subsection 1, paragraph V section 1421 must follow the procedures set forth in section 1422 to reinstate.

- **Sec. 35. 31 MRSA §408,** as amended by PL 1999, c. 638, §§10-12, is repealed.
- Sec. 36. 31 MRSA §§408-A to 408-E are enacted to read:

§408-A. Grounds for administrative dissolution of domestic limited partnership

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 408-B to administratively dissolve a domestic limited partnership if:

- 1. Nonpayment of fees or penalties. The domestic limited partnership does not pay when they are due any fees or penalties imposed by this Act or other law;
- 2. Failure to file annual report. The domestic limited partnership does not deliver its annual report to the Secretary of State as required by section 529;
- 3. Failure to pay late filing penalty. The domestic limited partnership does not pay the annual report late filing penalty as required by section 530;
- 4. Failure to maintain registered agent or registered office. The domestic limited partnership fails to appoint or maintain a registered agent or registered office in this State as required by section 407:
- 5. Failure to notify of change of registered agent or registered office. The domestic limited partnership does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 407; or
- 6. Filing of false information. A general partner, limited partner or agent of the domestic limited partnership signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing.
- §408-B. Procedure for and effect of administrative dissolution of domestic limited partnership
- 1. Notice of determination to administratively dissolve domestic limited partnership. If the Secretary of State determines that one or more grounds exist under section 408-A for dissolving a domestic limited partnership, the Secretary of State shall issue a written notice of that determination to the limited partnership's last registered office address.
- **2. Administrative dissolution.** The domestic limited partnership will be administratively dissolved

if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the limited partnership has failed to correct the ground or grounds for the dissolution. The Secretary of State shall send notice to the limited partnership at its last registered office address that recites the ground or grounds for dissolution and the effective date of dissolution.

- 3. Effect of administrative dissolution; prohibition. A domestic limited partnership administratively dissolved continues its existence but may not transact any business in this State except as necessary to wind up the affairs of the limited partnership.
- 4. Liability of limited partners. A limited partner of a domestic limited partnership is not liable as a general partner of the limited partnership solely by reason of the limited partnership having been administratively dissolved under this section.
- 5. Validity of contracts; right to be sued; right to defend suit. The administrative dissolution of a domestic limited partnership under this section does not impair:
 - A. The validity of any contract or act of the domestic limited partnership;
 - B. The right of any other party to the contract to maintain any action, suit or proceeding on the contract; or
 - C. The right of the domestic limited partnership to defend any action, suit or proceeding in any court of this State.
- **6. Authority of registered agent.** The administrative dissolution of a domestic limited partnership does not terminate the authority of its registered agent.
- 7. Protecting domestic limited partnership name after administrative dissolution. The name of a domestic limited partnership remains in the Secretary of State's record of limited partnership names and is protected for a period of 3 years following administrative dissolution.
- 8. Notice to Superintendent of Financial Institutions in case of financial institution or credit union. In the case of a financial institution authorized to do business in this State or a credit union authorized to do business in this State, as defined in Title 9-B, the Secretary of State shall notify the Superintendent of Financial Institutions within a reasonable time prior to administratively dissolving the financial institution or credit union under this section.

§408-C. Reinstatement following administrative dissolution of domestic limited partnership

- 1. Application for reinstatement. A domestic limited partnership administratively dissolved under section 408-B may apply to the Secretary of State for reinstatement within 6 years after the effective date of dissolution. The application must:
 - A. State the name of the domestic limited partnership and the effective date of its administrative dissolution;
 - B. State that the ground or grounds for dissolution either did not exist or have been eliminated; and
 - C. State that the domestic limited partnership's name satisfies the requirements of section 403-A.
- 2. Reinstatement after administrative dissolution. If the Secretary of State determines that the application contains the information required under subsection 1 and is accompanied by the reinstatement fee set forth in section 526, subsection 6-A, and that the information is correct, the Secretary of State shall cancel the administrative dissolution and prepare a notice of reinstatement that recites that determination and the effective date of reinstatement. The Secretary of State shall send notice to the domestic limited partnership at its last registered office address.
- 3. Effect of reinstatement. When the reinstatement is effective under subsection 2, it relates back to and takes effect as of the effective date of the administrative dissolution, and the domestic limited partnership resumes business as if the administrative dissolution had not occurred.

§408-D. Appeal from denial of reinstatement of domestic limited partnership

- 1. Denial of reinstatement. If the Secretary of State denies a domestic limited partnership's application for reinstatement following administrative dissolution, the Secretary of State shall mail a written notice that explains the reason or reasons for denial to the limited partnership at its last registered office address.
- 2. Appeal. A domestic limited partnership may appeal a denial of reinstatement under subsection 1 to the Superior Court of the county where the limited partnership's principal office is located or, if there is no principal office in this State, in Kennebec County within 30 days after the date of the notice of denial. The limited partnership appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the Secretary of State's notice of administrative dissolution, the limited partnership's

- application for reinstatement and the Secretary of State's notice of denial.
- 3. Court action. The court may summarily order the Secretary of State to reinstate an administratively dissolved domestic limited partnership or may take other action the court considers appropriate.
- **4. Final decision.** The court's final decision in an appeal under this section may be appealed as in other civil proceedings.

§408-E. Reinstatement of suspended domestic limited partnership

- 1. Reinstatement after suspension. A domestic limited partnership that was suspended before July 1, 2004 may apply to the Secretary of State for reinstatement and the reinstatement may be granted, if:
 - A. The Secretary of State determines that the application contains the information required under section 408-C, subsection 1;
 - B. The application for reinstatement is accompanied by the reinstatement fee set forth in section 526, subsection 6-A; and
 - C. The application for reinstatement is received by the Secretary of State by June 30, 2010.
- 2. Effect on domestic limited partnership failing to reinstate by June 30, 2010. A domestic limited partnership that fails to meet the requirements of subsection 1 is administratively dissolved and may not reinstate.
- 3. Protecting domestic limited partnership name after suspension. The name of a domestic limited partnership that is suspended remains in the Secretary of State's record of limited partnership names and is protected for a period of 3 years following suspension.
- **Sec. 37. 31 MRSA §413, sub-§5,** as amended by PL 1991, c. 780, Pt. U, §26, is repealed.
 - Sec. 38. 31 MRSA §416-A is enacted to read:

§416-A. Certificate of existence; certificate of authority; certificate of fact

- 1. Application. Any person may apply to the Secretary of State for a certificate of existence for a domestic limited partnership or a certificate of authority for a foreign limited partnership.
- **2.** Contents. A certificate of existence or certificate of authority sets forth:
 - A. The limited partnership's name used in this State:

- B. That, if a domestic limited partnership, the limited partnership is duly formed under the laws of this State and the date of its formation;
- C. That, if a foreign limited partnership, the foreign limited partnership is authorized to transact business in this State, the date on which the limited partnership was authorized to transact business in this State and its jurisdiction of organization;
- D. That all fees and penalties owed to this State have been paid if:
 - (1) Payment is reflected in the records of the Secretary of State; and
 - (2) Nonpayment affects the existence or authorization of the domestic or foreign limited partnership;
- E. That the limited partnership's most recent annual report required by section 529 has been delivered to the Secretary of State; and
- F. Any facts of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- 3. Evidence of existence or authority. Subject to any qualification stated in the certificate, a certificate of existence or certificate of authority issued by the Secretary of State may be relied upon as conclusive evidence that the domestic or foreign limited partnership is in existence or is authorized to transact business in this State.
- 4. Certificate of fact. In addition to the certificate authorized under subsection 2, the Secretary of State may issue a certificate attesting to any fact of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- Sec. 39. 31 MRSA \$498, sub-\$2, as amended by PL 2003, c. 344, Pt. C, \$\$11 and 12 and affected by \$80, is repealed.
- Sec. 40. 31 MRSA §§498-A to 498-C are enacted to read:

§498-A. Grounds for revocation

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 498-B to revoke the authority of a foreign limited partnership authorized to transact business in this State if:

1. Nonpayment of fees or penalties. The foreign limited partnership does not pay when they are due any fees or penalties imposed by this Act or other law;

- **2. Failure to file annual report.** The foreign limited partnership does not deliver its annual report to the Secretary of State as required by section 529;
- 3. Failure to pay late filing penalty. The foreign limited partnership does not pay the annual report late filing penalty as required by section 530;
- 4. Failure to maintain registered agent or registered office. The foreign limited partnership fails to appoint or maintain a registered agent or registered office in this State as required by section 494;
- 5. Failure to notify of change of registered agent or registered office. The foreign limited partnership does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 494;
- 6. Filing of false information. A general partner, limited partner or agent of the foreign limited partnership signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing;
- 7. Amended application. The foreign limited partnership fails to file with the Secretary of State an amended application for authority required by section 495; or
- 8. Authenticated certificate of cancellation or merger. The Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of limited partnership records in the state or country under whose law the foreign limited partnership is formed stating that the foreign limited partnership has been cancelled or has disappeared as the result of a merger.

§498-B. Procedure for and effect of revocation

- 1. Notice of determination. If the Secretary of State determines that one or more grounds exist under section 498-A for the revocation of authority, the Secretary of State shall issue a written notice of that determination to the limited partnership's last registered office in this State and to its last registered or principal office in its jurisdiction of organization.
- 2. Revocation. The foreign limited partner-ship's authority is revoked if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the limited partnership has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the limited partnership at its last registered office address in this State and to its last registered or principal office address in its jurisdiction of organization that recites

the ground or grounds for revocation and the effective date of the revocation.

- 3. Authority to transact business ceases. The authority of a foreign limited partnership to transact business in this State ceases on the date of revocation of its authority.
- 4. Secretary of State appointed as agent for service of process. The Secretary of State's revocation of a foreign limited partnership's authority appoints the Secretary of State as the foreign limited partnership's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign limited partnership was authorized to transact business in this State. Service of process on the Secretary of State under this subsection is service on the foreign limited partnership. Upon receipt of process, the Secretary of State shall mail a copy of the process to the foreign limited partnership at its principal office shown in its most recent annual report or in any subsequent communication received from the limited partnership stating the current mailing address of its principal office or, if no other address is on file, in its application for authority.
- 5. Registered agent; not terminated. Revocation of a foreign limited partnership's authority to transact business in this State does not terminate the authority of the registered agent of the limited partnership.
- 6. Authorization after revocation. A foreign limited partnership whose authority to transact business in this State has been revoked under this section and that wishes to transact business again in this State must be authorized as provided in this chapter.

§498-C. Appeal from revocation

- 1. Petition to appeal revocation. A foreign limited partnership may appeal the Secretary of State's revocation of its authority to the Kennebec County Superior Court within 30 days after the notice of revocation. The foreign limited partnership may appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its application for authority and the Secretary of State's notice of revocation.
- 2. Court order. The court may summarily order the Secretary of State to reinstate the authority or may take any other action the court considers appropriate.
- 3. Appeal of court's decision. The court's final decision may be appealed as in other civil proceedings.

- **Sec. 41. 31 MRSA §524, sub-§1, ¶C,** as corrected by RR 1991, c. 1, §43, is amended to read:
 - C. The provisions of section 407, subsection 1 and section 494, subsection 2 requiring that all limited partnerships have and maintain in this State a registered office and a registered agent for service of process apply to limited partnerships formed before January 1, 1992 and foreign limited partnerships that obtain authority to do business in this State before January 1, 1992 as follows.
 - (1) By April 1, 1992 a general partner of each limited partnership shall pay a fee of \$40 and file with the Secretary of State:
 - (a) If the limited partnership does not have a registered agent and registered office, a certificate designating the registered agent and registered office for the limited partnership; or
 - (b) If the limited partnership has a registered agent and registered office, a certificate confirming that the name and address of its current registered agent and registered office are correct.
 - A limited partnership that files a certificate of limited partnership, an application for authority to do business in this State or a restated certificate under section 422, subsection 6 after January 1, 1992 but before April 1, 1992 is not required to file a certificate or pay the fee required under this subparagraph.
 - (2) Until a registered agent and a registered office are designated under subparagraph (1), the general partner first named in the partnership's certificate of limited partnership and having an address within this State is deemed the partnership's registered agent and that general partner's address as stated in the certificate is deemed the partnership's registered office.
 - (3) If the limited partnership has not filed a certificate designating a registered agent and registered office by April 1, 1992, the Secretary of State may suspend the limited partnership under section 408 408-A or revoke the authority of the limited partnership to do business in this State under section 498 498-B; and
- **Sec. 42. 31 MRSA \$526, sub-\$6,** as amended by PL 1991, c. 780, Pt. U, \$29, is repealed.

- Sec. 43. 31 MRSA §526, sub-§6-A is enacted to read:
- 6-A. Reinstatement fee after administrative dissolution. For failure to file an annual report, a fee of \$125, to a maximum fee of \$500, regardless of the number of delinquent reports or the period of delinquency; for failure to pay the annual report late filing penalty, a fee of \$100; for failure to appoint or maintain a registered agent or registered office, a fee of \$100; for failure to notify the Secretary of State that its registered agent or registered office has been changed, that its registered agent has resigned or that its registered office has been discontinued, a fee of \$100; for failure to file an amended application, a fee of \$100; and for filing false information, a fee of \$100;
- Sec. 44. 31 MRSA §526, sub-§12, as amended by PL 1993, c. 316, §71, is repealed and the following enacted in its place:
- 12. Issuing certificate. For issuing a certificate of existence, certificate of authority or certificate of fact as provided by section 416-A, a fee in the amount of \$30.
- **Sec. 45. 31 MRSA §526, sub-§15-A** is enacted to read:
- 15-A. Amended annual report. For filing an amended annual report under section 529-A, a fee of \$10;
- **Sec. 46. 31 MRSA \$526, sub-\$16,** as amended by PL 1997, c. 376, §44, is repealed.
- **Sec. 47. 31 MRSA §526, sub-§§19 and 20,** as enacted by PL 1999, c. 638, §20, are amended to read:
- **19.** Articles of merger or consolidation. Articles of merger or consolidation of a limited partnership with another type of business entity as provided by section 417, a fee in the amount of \$150; and
- **20.** Certificate of conversion. Certificate of conversion of a limited partnership to another type of business entity as provided by section 418, a fee in the amount of \$125-; and
- **Sec. 48. 31 MRSA §526, sub-§21** is enacted to read:
- 21. Late filing penalty. For failing to deliver an annual report by its due date, in addition to the annual report filing fee, a fee of \$25.
 - Sec. 49. 31 MRSA §529-A is enacted to read:

§529-A. Amended annual report of domestic or foreign limited partnership

- 1. Amended annual report. If the information contained in an annual report filed under section 529 has changed, a domestic or foreign limited partnership may, if it determines it to be necessary, deliver to the Secretary of State for filing an amended annual report to change the information on file. The amended annual report must be executed as provided by section 529, subsection 3.
- **2. Contents.** The amended annual report under subsection 1 must set forth:
 - A. The name of the domestic or foreign limited partnership and the jurisdiction of its organization:
 - B. The date on which the original annual report was filed; and
 - C. The information that has changed and the date on which it changed.
- 3. Period for filing. An amended annual report under subsection 1 may be filed by the domestic or foreign limited partnership after the date of the original filing and until December 31st of that filing year.
- **Sec. 50. 31 MRSA §530,** as amended by PL 1999, c. 547, Pt. B, §52 and affected by §80, is further amended to read:

§530. Failure to file annual report; incorrect report; penalties

1. Failure to file annual report; penalty. A domestic or foreign limited partnership that is required to deliver an annual report for filing as provided by section 529 that fails to deliver its properly completed annual report to the Secretary of State shall pay, in addition to the regular annual report fee, the sum of \$25, providing the late filing penalty described in section 526, subsection 21, as long as the report is received by the Secretary of State prior to revocation or suspension of the limited partnership administrative dissolution. Upon a limited partnership's failure to file the annual report and to pay the annual report fee or the penalty, the Secretary of State, notwithstanding Title 4, chapter 5 and Title 5, chapter 375, shall revoke a foreign limited partnership's authority to do business in this State and suspend administratively dissolve a domestic limited partnership from doing business. The Secretary of State shall use the procedures set forth in section 498, subsection 2, relative to revoking the right of foreign limited partnerships to do business in this State, for suspending domestic limited partner ships 408-B to administratively dissolve a domestic limited partnership and the procedure set forth in section 498-B to revoke a foreign limited partnership's authority to transact business in this State. A foreign limited partnership whose authority to do business in this State has been revoked under this subsection that wishes to do business again in this State must be authorized as provided in section 492. A domestic limited partnership that has been suspended administratively dissolved under this subsection may be reinstated by filing the current annual report together with the current annual filing fee and by paying the reinstatement fee of \$125 for each year the limited partnership failed to file an annual report. The maximum reinstatement fee may not exceed \$500, regardless of the number of delinquent reports or the period of delinquency section 408-B must follow the requirements set forth in section 408-C to reinstate.

- **2. Nonconformity.** If the Secretary of State finds that any annual report of a domestic or foreign limited partnership delivered for filing does not conform with the requirements of section 529, the report must be returned for correction.
- 3. Suspension. A limited partnership while suspended may not engage in business.
- **4. Excusable neglect.** If the annual report of a domestic or foreign limited partnership is not delivered for filing within the time specified in section 529, the limited partnership is excused from the liability provided in this section and from any other penalty for failure to file timely the report, if it establishes, to the satisfaction of the Secretary of State, that failure to file was the result of excusable neglect and it furnishes the Secretary of State with a copy of the report within 30 days after learning it learns that the Secretary of State failed to receive the original report.
- **Sec. 51. 31 MRSA §608,** as amended by PL 1999, c. 638, §§22 to 25, is repealed.
- Sec. 52. 31 MRSA §§608-A to 608-E are enacted to read:

§608-A. Grounds for administrative dissolution of domestic limited liability company

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 608-B to administratively dissolve a domestic limited liability company if:

- 1. Nonpayment of fees or penalties. The domestic limited liability company does not pay when they are due any fees or penalties imposed by this chapter or other law;
- **2. Failure to file annual report.** The domestic limited liability company does not deliver its annual report to the Secretary of State as required by section 757;

- 3. Failure to pay late filing penalty. The domestic limited liability company does not pay the annual report late filing penalty as required by section 758;
- 4. Failure to maintain registered agent or registered office. The domestic limited liability company fails to appoint or maintain a registered agent or registered office in this State as required by section 607;
- 5. Failure to notify of change of registered agent or registered office. The domestic limited liability company does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 607; or
- 6. Filing of false information. A member, manager or agent of the domestic limited liability company signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing.

§608-B. Procedure for and effect of administrative dissolution

- 1. Notice of determination to administratively dissolve domestic limited liability company. If the Secretary of State determines that one or more grounds exist under section 608-A for dissolving a domestic limited liability company, the Secretary of State shall issue a written notice of that determination to the limited liability company's last registered office address.
- 2. Administrative dissolution. The domestic limited liability company is administratively dissolved if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the limited liability company has failed to correct the ground or grounds for the dissolution. The Secretary of State shall send notice to the limited liability company at its last registered office address that recites the ground or grounds for dissolution and the effective date of dissolution.
- 3. Effect of administrative dissolution; prohibition. A domestic limited liability company administratively dissolved continues its existence but may not transact any business in this State except as necessary to wind up the affairs of the limited liability company.
- 4. Validity of contracts; right to be sued; right to defend suit. The administrative dissolution of a domestic limited liability company under this section does not impair:

- A. The validity of any contract or act of the domestic limited liability company;
- B. The right of any other party to the contract to maintain any action, suit or proceeding on the contract; or
- C. The right of the domestic limited liability company to defend any action, suit or proceeding in any court of this State.
- 5. Authority of registered agent. The administrative dissolution of a domestic limited liability company does not terminate the authority of its registered agent.
- 6. Protecting domestic limited liability company name after administrative dissolution. The name of a domestic limited liability company remains in the Secretary of State's record of limited liability company names and is protected for a period of 3 years following administrative dissolution.
- 7. Notice to Superintendent of Financial Institutions in case of financial institution or credit union. In the case of a financial institution authorized to do business in this State or a credit union authorized to do business in this State, as defined in Title 9-B, the Secretary of State shall notify the Superintendent of Financial Institutions within a reasonable time prior to administratively dissolving the financial institution or credit union under this section.

§608-C. Reinstatement following administrative dissolution

- 1. Application for reinstatement. A domestic limited liability company administratively dissolved under section 608-B may apply to the Secretary of State for reinstatement within 6 years after the effective date of dissolution. The application must:
 - A. State the name of the domestic limited liability company and the effective date of its administrative dissolution;
 - B. State that the ground or grounds for dissolution of the domestic limited liability company either did not exist or have been eliminated; and
 - C. State that the domestic limited liability company's name satisfies the requirements of section 603-A.
- 2. Reinstatement after administrative dissolution. If the Secretary of State determines that the application contains the information required under subsection 1 and is accompanied by the reinstatement fee set forth in section 751, subsection 7-A, and that the information is correct, the Secretary of State shall cancel the administrative dissolution and prepare a

- notice of reinstatement that recites that determination and the effective date of reinstatement. The Secretary of State shall send notice to the domestic limited liability company at its last registered office address.
- 3. Effect of reinstatement. When the reinstatement is effective under subsection 2, it relates back to and takes effect as of the effective date of the administrative dissolution, and the domestic limited liability company resumes business as if the administrative dissolution had not occurred.

§608-D. Appeal from denial of reinstatement

- 1. Denial of reinstatement. If the Secretary of State denies a domestic limited liability company's application for reinstatement following administrative dissolution, the Secretary of State shall mail a written notice that explains the reason or reasons for denial to the limited liability company at its last registered office address.
- 2. Appeal. A domestic limited liability company may appeal a denial of reinstatement under subsection 1 to the Superior Court of the county where the limited liability company's principal office is located or, if there is no principal office in this State, in Kennebec County within 30 days after the date of the notice of denial. The limited liability company appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the Secretary of State's notice of administrative dissolution, the limited liability company's application for reinstatement and the Secretary of State's notice of denial.
- 3. Court action. The court may summarily order the Secretary of State to reinstate an administratively dissolved domestic limited liability company or may take other action the court considers appropriate.
- **4. Final decision.** The court's final decision in an appeal under this section may be appealed as in other civil proceedings.

§608-E. Reinstatement of suspended domestic limited liability company

- 1. Reinstatement after suspension. A domestic limited liability company that was suspended before July 1, 2004 may apply to the Secretary of State for reinstatement and the reinstatement may be granted, if:
 - A. The Secretary of State determines that the application contains the information required under section 608-C, subsection 1;
 - B. The application for reinstatement is accompanied by the reinstatement fee set forth in section 751, subsection 7-A; and

- C. The application for reinstatement is received by the Secretary of State by June 30, 2010.
- 2. Effect on domestic limited liability company failing to reinstate by June 30, 2010. A domestic limited liability company that fails to meet the requirements of subsection 1 is administratively dissolved and may not reinstate.
- 3. Protecting domestic limited liability company name after suspension. The name of a domestic limited liability company that is suspended remains in the Secretary of State's record of limited liability company names and is protected for a period of 3 years following suspension.
- **Sec. 53. 31 MRSA §612, sub-§5,** as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.
 - Sec. 54. 31 MRSA §616 is enacted to read:

<u>\$616. Certificate of existence; certificate of</u> authority; certificate of fact

- 1. Application. Any person may apply to the Secretary of State for a certificate of existence for a domestic limited liability company or a certificate of authority for a foreign limited liability company.
- **2. Contents.** A certificate of existence or certificate of authority sets forth:
 - A. The limited liability company's name used in this State;
 - B. That, if a domestic limited liability company, the limited liability company is duly formed under the laws of this State and the date of its formation;
 - C. That, if a foreign limited liability company, the foreign limited liability company is authorized to transact business in this State, the date on which the limited liability company was authorized to transact business in this State and its jurisdiction of organization;
 - D. That all fees and penalties owed to this State have been paid if:
 - (1) Payment is reflected in the records of the Secretary of State; and
 - (2) Nonpayment affects the existence or authorization of the domestic or foreign limited liability company;
 - E. That the limited liability company's most recent annual report required by section 757 has been delivered to the Secretary of State; and

- F. Any facts of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- 3. Evidence of existence or authority. Subject to any qualification stated in the certificate, a certificate of existence or certificate of authority issued by the Secretary of State may be relied upon as conclusive evidence that the domestic or foreign limited liability company is in existence or is authorized to transact business in this State.
- 4. Certificate of fact. In addition to the certificate authorized under subsection 2, the Secretary of State may issue a certificate attesting to any fact of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- **Sec. 55. 31 MRSA §719, sub-§2,** as amended by PL 2003, c. 344, Pt. C, §29, is repealed.
- Sec. 56. 31 MRSA §§719-A to 719-C are enacted to read:

§719-A. Grounds for revocation of authority of foreign limited liability company

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 719-B to revoke the authority of a foreign limited liability company authorized to transact business in this State if:

- 1. Nonpayment of fees or penalties. The foreign limited liability company does not pay when they are due any fees or penalties imposed by this chapter or other law;
- 2. Failure to file annual report. The foreign limited liability company does not deliver its annual report to the Secretary of State as required by section 757:
- 3. Failure to pay late filing penalty. The foreign limited liability company does not pay the annual report late filing penalty as required by section 758;
- 4. Failure to maintain registered agent or registered office. The foreign limited liability company fails to appoint or maintain a registered agent or registered office in this State as required by section 714;
- 5. Failure to notify of change of registered agent or registered office. The foreign limited liability company does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 714;

- 6. Filing of false information. A member, manager or agent of the foreign limited liability company signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing;
- 7. Amended application. The foreign limited liability company fails to file with the Secretary of State an amended application for authority required by section 715; or
- 8. Authenticated certificate of cancellation or merger. The Secretary of State receives a duly authenticated certificate from the secretary of state or other official having custody of limited liability company records in the state or country under whose law the foreign limited liability company is formed stating that the foreign limited liability company has been cancelled or has disappeared as the result of a merger.

§719-B. Procedure for and effect of revocation

- 1. Notice of determination. If the Secretary of State determines that one or more grounds exist under section 719-A for the revocation of authority, the Secretary of State shall issue a written notice of that determination to the limited liability company's last registered office in this State and to its last registered or principal office in its jurisdiction of organization.
- 2. Revocation. The foreign limited liability company's authority is revoked if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the foreign limited liability company has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the foreign limited liability company at its last registered office in this State and to its last registered or principal office in its jurisdiction of organization that recites the ground or grounds for revocation and the effective date of revocation.
- 3. Authority to transact business ceases. The authority of a foreign limited liability company to transact business in this State ceases on the date of revocation of its authority.
- 4. Secretary of State appointed as agent for service of process. The Secretary of State's revocation of a foreign limited liability company's authority appoints the Secretary of State as the foreign limited liability company's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign limited liability company was authorized to transact business in this State. Service of process on the Secretary of State under this subsection is service on the foreign limited liability company. Upon receipt of process, the Secretary of State shall mail a copy of the process to the foreign

- limited liability company at its principal office shown in its most recent annual report or in any subsequent communication received from the limited liability company stating the current mailing address of its principal office or, if no other address is on file, in its application for authority.
- 5. Registered agent; not terminated. Revocation of a foreign limited liability company's authority to transact business in this State does not terminate the authority of the registered agent of the limited liability company.
- 6. Authorization after revocation. A foreign limited liability company whose authority to transact business in this State has been revoked under section 719-B and that wishes to transact business again in this State must be authorized as provided in this chapter.

§719-C. Appeal from revocation

- 1. Petition to appeal revocation. A foreign limited liability company may appeal the Secretary of State's revocation of its authority to the Kennebec County Superior Court within 30 days after the notice of revocation. The foreign limited liability company may appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its application for authority and the Secretary of State's notice of revocation.
- 2. Court order. The court may summarily order the Secretary of State to reinstate the authority or may take any other action the court considers appropriate.
- 3. Appeal of court's decision. The court's final decision may be appealed as in other civil proceedings.
- **Sec. 57. 31 MRSA §751, sub-§7,** as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.
- **Sec. 58. 31 MRSA §751, sub-§7-A** is enacted to read:
- 7-A. Reinstatement fee after administrative dissolution. For failure to file an annual report, a fee of \$125, to a maximum fee of \$500, regardless of the number of delinquent reports or the period of delinquency; for failure to pay the annual report late filing penalty, a fee of \$100; for failure to appoint or maintain a registered agent or registered office, a fee of \$100; for failure to notify the Secretary of State that its registered agent or registered office has been changed, that its registered agent has resigned or that its registered office has been discontinued, a fee of \$100; and for filing false information, a fee of \$100;

- **Sec. 59. 31 MRSA §751, sub-§17,** as enacted by PL 1993, c. 718, Pt. A, §1, is repealed and the following enacted in its place:
- 17. Issuing certificate. For issuing a certificate of existence, certificate of authority or certificate of fact as provided by section 616, a fee in the amount of \$30:
- Sec. 60. 31 MRSA §751, sub-§20-A is enacted to read:
- **20-A.** Amended annual report. For filing an amended annual report under section 757-A, a fee of \$10:
- **Sec. 61. 31 MRSA \$751, sub-\$21,** as amended by PL 1997, c. 376, \$59, is repealed.
- **Sec. 62. 31 MRSA §751, sub-§§24 and 25,** as enacted by PL 1999, c. 638, §39, are amended to read:
- **24.** Certificate of merger or consolidation. Certificate of merger or consolidation of a limited liability company with another type of business entity as provided by section 741-A, a fee of \$150; and
- **25.** Certificate of conversion. Certificate of conversion of limited liability company to another type of business entity as provided by section 746, a fee of \$125-; and
- Sec. 63. 31 MRSA §751, sub-§26 is enacted to read:
- 26. Late filing penalty. For failing to deliver an annual report by its due date in addition to the annual report filing fee, a fee of \$25.
 - Sec. 64. 31 MRSA §757-A is enacted to read:

§757-A. Amended annual report of domestic or foreign limited liability company

- 1. Amended annual report. If the information contained in an annual report filed under section 757 has changed, a limited liability company may, if it determines it to be necessary, deliver to the Secretary of State for filing an amended annual report to change the information on file. The amended annual report must be executed as provided by section 757, subsection 3.
- 2. Contents. The amended annual report under subsection 1 must set forth:
 - A. The name of the domestic or foreign limited liability company and the jurisdiction of its organization;

- B. The date on which the original annual report was filed; and
- C. The information that has changed and the date on which it changed.
- 3. Period for filing. An amended annual report under subsection 1 may be filed by the limited liability company after the date of the original filing and until December 31st of that filing year.
- **Sec. 65. 31 MRSA §758**, as amended by PL 1999, c. 547, Pt. B, §54 and affected by §80, is further amended to read:

§758. Failure to file annual report; incorrect report; penalties

1. Failure to file annual report; penalty. A domestic or foreign limited liability company that is required to deliver an annual report for filing as provided by section 757 that fails to deliver its properly completed annual report to the Secretary of State shall pay, in addition to the regular annual report fee, the sum of \$25, if the late filing penalty described in section 751, subsection 26, as long as the report is received by the Secretary of State prior to revocation or suspension of the limited liability company administrative dissolution. Upon a limited liability company's failure to file the annual report and to pay the annual report fee or the penalty, the Secretary of State, notwithstanding Title 4, chapter 5 and Title 5, chapter 375, shall revoke a foreign limited liability company's authority to do business in this State and suspend administratively dissolve a domestic limited liability company from doing business. The Secretary of State shall use the procedures set forth in section 719, subsection 2, relative to revoking the right of foreign limited liability companies to do business in this State, for suspending domestic limited liability companies 608-B to administratively dissolve a domestic limited liability company and the procedures set forth in section 719-B to revoke a foreign limited liability company's authority to transact business in this State. A foreign limited liability company whose authority to do business in this State has been revoked under this subsection that wishes to do business again in this State must be authorized as provided in section 712. A domestic limited liability company that has been suspended administratively dissolved under this subsection may be reinstated by filing the current annual report together with the current annual filing fee and by paying the reinstatement fee of \$125 for each year the limited liability company failed to file an annual report. The maximum reinstatement fee may not exceed \$500, regardless of the number of delinquent reports or the period of delinquency section 608-B must follow the requirements set forth in section 608-C to reinstate.

- **2. Nonconformity.** If the Secretary of State finds that an annual report delivered for filing does not conform with the requirements of section 757, the report must be returned for correction.
- 3. Suspension. A limited liability company while suspended may not engage in business.
- **4. Excusable neglect.** If the annual report of a domestic or foreign limited liability company is not delivered for filing within the time specified in section 757, the limited liability company is excused from the liability provided in this section and from any other penalty for failure to file timely the report, if it establishes to the satisfaction of the Secretary of State, that failure to file was the result of excusable neglect and it furnishes the Secretary of State with a copy of the report within 30 days after learning it learns that the Secretary of State failed to receive the original report.
- **Sec. 66. 31 MRSA §808,** as enacted by PL 1995, c. 633, Pt. B, §1, is repealed.
- Sec. 67. 31 MRSA §§808-A to 808-E are enacted to read:

§808-A. Grounds for revocation of registered limited liability partnership's status

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 808-B to revoke the status of a partnership as a registered limited liability partnership if:

- 1. Nonpayment of fees, penalties. The registered limited liability partnership does not pay when they are due any fees or penalties imposed by this chapter or other law;
- 2. Failure to file annual report. The registered limited liability partnership does not deliver its annual report to the Secretary of State as required by section 873;
- 3. Failure to pay late filing penalty. The registered limited liability partnership does not pay the annual report late filing penalty as required by section 874;
- 4. Failure to maintain registered agent or registered office. The registered limited liability partnership fails to appoint or maintain a registered agent or registered office in this State as required by section 807:
- 5. Failure to notify of change of registered agent or registered office. The registered limited liability partnership does not notify the Secretary of State that its registered agent or registered office has

been changed or that its registered agent has resigned as required by section 807; or

6. Filing of false information. A partner or agent of the registered limited liability partnership signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing.

§808-B. Procedure for and effect of revocation

- 1. Notice of determination to revoke partnership's status as registered limited liability partnership. If the Secretary of State determines that one or more grounds exist under section 808-A for revoking a partnership's status as a registered limited liability partnership, the Secretary of State shall issue a written notice of that determination to the limited liability partnership's last registered office address.
- 2. Revocation. The partnership's status as a registered limited liability partnership is revoked if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the registered limited liability partnership has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the partnership at the registered limited liability partnership's last registered office address that recites the ground or grounds for revocation of the partnership's status as a registered limited liability partnership and the effective date of revocation.
- 3. Effect of revocation of status as registered limited liability partnership. A partnership whose status as a registered limited liability partnership has been revoked continues its existence but must be treated as a general partnership without that limited liability partnership status.
- 4. Validity of contracts; right to be sued; right to defend suit. The revocation of the status of a partnership as a registered limited liability partnership under this section does not impair:
 - A. The existence of the partnership;
 - B. The validity of any contract or act of the registered limited liability partnership;
 - C. The right of any other party to the contract to maintain any action, suit or proceeding on the contract;
 - D. The right of the registered limited liability partnership to defend any action, suit or proceeding in any court of this State; or

- E. The liabilities of the partners with regard to events, acts or omissions occurring before the date of revocation.
- 5. Authority of registered agent. The revocation of the status of a partnership as a registered limited liability partnership does not terminate the authority of its registered agent.
- 6. Protecting limited liability partnership name after revocation. The name of a limited liability partnership remains in the Secretary of State's record of limited liability partnership names and is protected for a period of 3 years following revocation.
- 7. Notice to Superintendent of Financial Institutions in case of financial institution or credit union. In the case of a financial institution authorized to do business in this State or a credit union authorized to do business in this State, as defined in Title 9-B, the Secretary of State shall notify the Superintendent of Financial Institutions within a reasonable time prior to revoking the status of a financial institution or credit union as a registered limited liability partnership under this section.

§808-C. Reinstatement following revocation

- 1. Application for reinstatement. A partnership whose status as a registered limited liability partnership has been revoked under section 808-B may apply to the Secretary of State for reinstatement within 6 years after the effective date of revocation. The application must:
 - A. State the name of the registered limited liability partnership and the effective date of its revocation;
 - B. State that the ground or grounds for revocation either did not exist or have been eliminated; and
 - C. State that the registered limited liability partnership's name satisfies the requirements of section 803-A.
- 2. Reinstatement after revocation. If the Secretary of State determines that the application contains the information required under subsection 1 and is accompanied by the reinstatement fee set forth in section 871, subsection 7-A, and that the information is correct, the Secretary of State shall cancel the revocation and prepare a notice of reinstatement that recites that determination and the effective date of reinstatement. The Secretary of State shall send notice to the registered limited liability partnership at its last registered office address.
- 3. Effect of reinstatement. When the reinstatement is effective under subsection 2, it relates

back to and takes effect as of the effective date of the revocation, and the registered limited liability partnership resumes business as if the revocation had not occurred.

§808-D. Appeal from denial of reinstatement

- 1. Denial of reinstatement. If the Secretary of State denies a partnership's application for reinstatement following revocation, the Secretary of State shall mail a written notice that explains the reason or reasons for denial to the partnership at its last registered office address.
- 2. Appeal. A partnership may appeal a denial of reinstatement under subsection 1 to the Superior Court of the county where the partnership's principal office is located or, if there is no principal office in this State, in Kennebec County within 30 days after the date of the notice of denial. The partnership appeals by petitioning the court to set aside the revocation and attaching to the petition copies of the Secretary of State's notice of revocation, the partnership's application for reinstatement and the Secretary of State's notice of denial.
- 3. Court action. The court may summarily order the Secretary of State to reinstate a partnership's status as a registered limited liability partnership or may take other action the court considers appropriate.
- **4. Final decision.** The court's final decision in an appeal under this section may be appealed as in other civil proceedings.

<u>\$808-E.</u> Reinstatement of registered limited liability partnership status

- 1. Reinstatement after revocation. A partnership whose status as a registered limited liability partnership that was revoked before July 1, 2004 may apply to the Secretary of State for reinstatement and the reinstatement may be granted, if:
 - A. The Secretary of State determines that the application contains the information required under section 808-C, subsection 1;
 - B. The application for reinstatement is accompanied by the reinstatement fee set forth in section 871, subsection 7-A; and
 - C. The application for reinstatement is received by the Secretary of State by June 30, 2010.
- 2. Effect on partnership failing to reinstate by June 30, 2010. A partnership that fails to meet the requirements of subsection 1 may not reinstate.
- 3. Protecting limited liability partnership name after revocation. The name of a partnership whose status as a registered limited liability partner-

- ship is revoked remains in the Secretary of State's record of limited liability partnership names and is protected for a period of 3 years following revocation.
- **Sec. 68. 31 MRSA §812, sub-§5,** as enacted by PL 1995, c. 633, Pt. B, §1, is repealed.
 - Sec. 69. 31 MRSA §817 is enacted to read:

§817. Certificate of existence; certificate of authority; certificate of fact

- **1. Application.** Any person may apply to the Secretary of State for a certificate of existence for a registered limited liability partnership or a certificate of authority for a foreign limited liability partnership.
- **2.** Contents. A certificate of existence or certificate of authority under subsection 1 sets forth:
 - A. The limited liability partnership's name used in this State;
 - B. That, if a registered limited liability partnership, the registered limited liability partnership is duly registered under the laws of this State and the date of its registration;
 - C. That, if a foreign limited liability partnership, the foreign limited liability partnership is authorized to transact business in this State, the date on which the limited liability partnership was authorized to transact business in this State and its jurisdiction of organization;
 - D. That all fees and penalties owed to this State have been paid if:
 - (1) Payment is reflected in the records of the Secretary of State; and
 - (2) Nonpayment affects the existence or authorization of the registered or foreign limited liability partnership;
 - E. That the registered or foreign limited liability partnership's most recent annual report required by section 873 has been delivered to the Secretary of State; and
 - F. Any facts of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- 3. Evidence of existence or authority. Subject to any qualification stated in the certificate under subsection 2, a certificate of existence or certificate of authority issued by the Secretary of State may be relied upon as conclusive evidence that the registered or foreign limited liability partnership is in existence or is authorized to transact business in this State.

- 4. Certificate of fact. In addition to the certificate authorized under subsection 2, the Secretary of State may issue a certificate attesting to any fact of record in the office of the Secretary of State that may be requested by the applicant under subsection 1.
- **Sec. 70. 31 MRSA §859,** as amended by PL 2003, c. 344, Pt. C, §44, is repealed.
- Sec. 71. 31 MRSA §§859-A to 859-E are enacted to read:

§859-A. Grounds for revocation

Notwithstanding Title 4, chapter 5 and Title 5, chapter 375, the Secretary of State may commence a proceeding under section 859-B to revoke the status of a partnership as a foreign limited liability partnership authorized to do business in this State if:

- 1. Nonpayment of fees or penalties. The foreign limited liability partnership does not pay when they are due any fees or penalties imposed by this chapter or other law;
- 2. Failure to file annual report. The foreign limited liability partnership does not deliver its annual report to the Secretary of State as required by section 873;
- 3. Failure to pay late filing penalty. The foreign limited liability partnership does not pay the annual report late filing penalty as required by section 874:
- 4. Failure to maintain registered agent or registered office. The foreign limited liability partnership fails to appoint or maintain a registered agent or registered office in this State as required by section 854;
- 5. Failure to notify of change of registered agent or registered office. The foreign limited liability partnership does not notify the Secretary of State that its registered agent or registered office has been changed or that its registered agent has resigned as required by section 854;
- 6. Filing of false information. A partner or agent of the foreign limited liability partnership signed a document with the knowledge that the document was false in a material respect and with the intent that the document be delivered to the Secretary of State for filing:
- 7. Amended application. The foreign limited liability partnership fails to file with the Secretary of State an amended application for authority required by section 855; or
- 8. Authenticated certificate. The Secretary of State receives a duly authenticated certificate from the

secretary of state or other official having custody of limited liability partnership records in the state or country under whose law the foreign limited liability partnership is organized stating that the foreign limited liability partnership is no longer treated as a registered limited liability partnership in its jurisdiction of registration.

§859-B. Procedure for and effect of revocation

- 1. Notice of determination. If the Secretary of State determines that one or more grounds exist under section 859-A for the revocation of authority, the Secretary of State shall issue a written notice of that determination to the foreign limited liability partnership's last registered office in this State and to its last registered or principal office in its jurisdiction of organization.
- 2. Revocation. The foreign partnership's status as a limited liability partnership is revoked if within 60 days after the notice under subsection 1 was issued the Secretary of State determines that the foreign limited liability partnership has failed to correct the ground or grounds for revocation. The Secretary of State shall send notice to the foreign partnership at the partnership's last registered office address in this State and to its last registered or principal office address in its jurisdiction of registration that recites the ground or grounds for revocation of the foreign partnership's status as a limited liability partnership and the effective date of revocation.
- 3. Authority to transact business ceases. The authority of a foreign limited liability partnership to transact business in this State ceases on the date of revocation of its authority.
- 4. Secretary of State appointed as agent for service of process. The Secretary of State's revocation of a foreign limited liability partnership's authority appoints the Secretary of State as the foreign limited liability partnership's agent for service of process in any proceeding based on a cause of action that arose during the time the foreign limited liability partnership was authorized to transact business in this State. Service of process on the Secretary of State under this subsection is service on the foreign limited liability partnership. Upon receipt of process, the Secretary of State shall mail a copy of the process to the foreign limited liability partnership at its principal office shown in its most recent annual report or in any subsequent communication received from the limited liability partnership stating the current mailing address of its principal office or, if no other address is on file, in its application for authority.
- 5. Registered agent; not terminated. Revocation of a foreign limited liability partnership's authority to transact business in this State does not

terminate the authority of the registered agent of the limited liability partnership.

6. Authorization after revocation. A foreign limited liability partnership whose authority to transact business in this State has been revoked under this section and that wishes to transact business again in this State may be reinstated pursuant to section 859-D.

§859-C. Appeal from revocation

- 1. Petition to appeal revocation. A foreign limited liability partnership may appeal the Secretary of State's revocation of its authority to the Kennebec County Superior Court within 30 days after the notice of revocation. The foreign limited liability partnership may appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its application for authority and the Secretary of State's notice of revocation.
- **2. Court order.** The court may summarily order the Secretary of State to reinstate the authority or may take any other action the court considers appropriate.
- 3. Appeal of court's decision. The court's final decision may be appealed as in other civil proceedings.

§859-D. Reinstatement following revocation

- 1. Application for reinstatement. A partnership whose authority as a foreign limited liability partnership has been revoked under section 859-B may apply to the Secretary of State for reinstatement within 6 years after the effective date of revocation. The application must:
 - A. State the name of the foreign limited liability partnership and the effective date of its revocation;
 - B. State that the ground or grounds for revocation either did not exist or have been eliminated; and
 - C. State that the foreign limited liability partnership's name satisfies the requirements of section 806-A.
- 2. Reinstatement after revocation. If the Secretary of State determines that the application for reinstatement contains the information required under subsection 1 and is accompanied by the reinstatement fee set forth in section 871, subsection 7-A, and that the information is correct, the Secretary of State shall cancel the revocation and prepare a notice of reinstatement that recites that determination and the effective date of reinstatement. The Secretary of State shall send notice to the foreign limited liability

partnership at its last registered office in this State and to its last registered or principal office in its jurisdiction of organization.

3. Effect of reinstatement. When the reinstatement is effective under subsection 2, it relates back to and takes effect as of the effective date of the revocation, and the foreign limited liability partnership resumes business as if the revocation had not occurred.

§859-E. Appeal from denial of reinstatement

- 1. Denial of reinstatement. If the Secretary of State denies a foreign limited liability partnership's application for reinstatement following revocation, the Secretary of State shall mail a written notice that explains the reason or reasons for denial to the foreign limited liability partnership at its last registered office address.
- 2. Appeal. A foreign limited liability partnership may appeal a denial of reinstatement under subsection 1 to the Superior Court of the county where the foreign limited liability partnership's principal office is located or, if there is no principal office in this State, in Kennebec County within 30 days after the date of the notice of denial. The foreign limited liability partnership appeals by petitioning the court to set aside the revocation and attaching to the petition copies of the Secretary of State's notice of revocation, the foreign limited liability partnership's application for reinstatement and the Secretary of State's notice of denial.
- 3. Court action. The court may summarily order the Secretary of State to reinstate a foreign limited liability partnership's authority to do business in this State or may take other action the court considers appropriate.
- **4. Final decision.** The court's final decision in an appeal under this section may be appealed as in other civil proceedings.
- **Sec. 72. 31 MRSA §871, sub-§7,** as amended by PL 1997, c. 376, §71, is repealed.
- Sec. 73. 31 MRSA §871, sub-§7-A is enacted to read:
- 7-A. Reinstatement fee after revocation. For failure to file an annual report, a fee of \$125, to a maximum fee of \$500, regardless of the number of delinquent reports or the period of delinquency; for failure to pay the annual report late filing penalty, a fee of \$100; for failure to appoint or maintain a registered agent or registered office, a fee of \$100; for failure to notify the Secretary of State that its registered agent or registered office has been changed, that its registered agent has resigned or that its registered office has been discontinued, a fee of \$100; for failure

- to file an amended application, a fee of \$100; and for filing false information, a fee of \$100;
- **Sec. 74. 31 MRSA §871, sub-§15,** as enacted by PL 1995, c. 633, Pt. B, §1, is repealed and the following enacted in its place:
- 15. Issuing certificate. For issuing a certificate of existence, certificate of authority or certificate of fact as provided by section 817, a fee in the amount of \$30;
- **Sec. 75. 31 MRSA §871, sub-§18,** as enacted by PL 1995, c. 633, Pt. B, §1, is amended to read:
- **18. Annual report.** For filing of an annual report under section 874 873, a fee of \$60;
- **Sec. 76. 31 MRSA §871, sub-§18-A** is enacted to read:
- 18-A. Amended annual report. For filing an amended annual report under section 873-A, a fee of \$10:
- **Sec. 77. 31 MRSA §871, sub-§19,** as amended by PL 1997, c. 376, §71, is repealed.
- **Sec. 78. 31 MRSA §871, sub-§22** is enacted to read:
- 22. Late filing penalty. For failing to deliver an annual report by its due date, in addition to the annual report filing fee, a fee of \$25.
 - Sec. 79. 31 MRSA §873-A is enacted to read:

§873-A. Amended annual report of registered or foreign limited liability partnership

- 1. Amended annual report. If the information contained in an annual report filed under section 873 has changed, a limited liability partnership may, if it determines it to be necessary, deliver to the Secretary of State for filing an amended annual report to change the information on file. The amended annual report must be executed as provided by section 873, subsection 3, paragraph A.
- **2.** Contents. The amended annual report must set forth:
 - A. The name of the registered or foreign limited liability partnership and the jurisdiction of its organization;
 - B. The date on which the original annual report was filed; and
 - C. The information that has changed and the date on which it changed.

- 3. Period for filing. An amended annual report may be filed by the limited liability partnership after the date of the original filing and until December 31st of that filing year.
- **Sec. 80. 31 MRSA §874**, as amended by PL 1999, c. 547, Pt. B, §56 and affected by §80, is further amended to read:

§874. Failure to file annual report; incorrect report; penalties

- 1. Failure to file annual report; penalty. A registered or foreign limited liability partnership that is required to deliver an annual report for filing, as provided by section 873, that fails to deliver its properly completed annual report to the Secretary of State shall pay, in addition to the regular annual report fee, the sum of \$25, provided that the late filing penalty described in section 871, subsection 22, as long as the report is received by the Secretary of State prior to revocation of its status as a limited liability partnership. Upon a <u>limited liability</u> partnership's failure to file the annual report and to pay the annual report fee or the penalty, the Secretary of State, notwithstanding Title 4, chapter 5 and Title 5, chapter 375, shall revoke the status of that partnership as a foreign limited liability partnership or a registered limited liability partnership. The Secretary of State shall use the procedures set forth in section 859, subsection 1 relative 808-B to revoke the status of a registered limited liability partnership and the procedures set forth in section 859-B to revoking revoke the status of a partnership as a foreign limited liability partnership for revoking the status of a partnership as a registered limited liability partnership in this State. A foreign limited liability partnership whose limited liability partnership status has been revoked under this subsection section 859-B that wishes to do business again as a limited liability partnership in this State must follow the procedures set forth in section 808, subsection 3 relative to reinstatement of registered limited liability partnerships 859-D to reinstate. A partnership whose status as a registered limited liability partnership has been revoked under this subsection may be reinstated by filing the current annual report together with the current annual filing fee and by paying the reinstatement fee of \$125 for each year the limited liability partnership failed to file an annual report. The maximum reinstatement fee may not exceed \$500, regardless of the number of delinquent reports or the period of delinquency section 808-B must follow the requirements set forth in section 808-C to reinstate.
- **2. Nonconformity.** If the Secretary of State finds that an annual report delivered for filing does not conform with the requirements of section 873, the report must be returned for correction.

- 3. Revocation. During any period in which a partnership's status as a limited liability partnership has been revoked, it must be treated as a general partnership without that limited liability partnership status
- **4. Excusable neglect.** If the annual report of a registered or foreign limited liability partnership is not delivered for filing within the time specified in section 873, the limited liability partnership is excused from the liability provided in this section and from any other penalty for failure to file timely the report if it establishes to the satisfaction of the Secretary of State that failure to file was the result of excusable neglect and it furnishes the Secretary of State with a copy of the report within 30 days after learning it learns that the Secretary of State failed to receive the original report.
- **5. Inadvertent errors.** The status of a partnership as a limited liability partnership and the liability of a partner of that limited liability partnership is not adversely affected if the name or address of a partner listed in an annual report is erroneously stated or omitted, as long as that annual report was filed in good faith.
- **Sec. 81. 36 MRSA §612, sub-§4,** as repealed and replaced by PL 2003, c. 355, §2 and affected by §§9 and 10, is amended to read:
- **4. Notice of lien.** Each notice of lien, which may be in the form of a financing statement, must:
 - A. Name the owner of the property upon which the lien is claimed, if the owner is not the taxpayer and is known to the municipality;
 - B. Provide the residence or business address of the owner, if known to the municipality;
 - C. Provide the taxpayer's name and the taxpayer's residence or business address, if known to the municipality, and if not otherwise known, the address where the property that is being taxed was located on the date the status of such taxable property was fixed pursuant to section 502 or 611;
 - D. Describe the property claimed to be subject to the lien in a manner that meets the requirements of Title 11, section 9-1504;
 - E. State the amount of tax, accrued interest and costs, as of the date on which the municipality sends the notice for filing, claimed due the municipality and secured by the lien;
 - F. State the tax year or years for which the lien is claimed:

- G. Name the municipality claiming the lien;
- H. Set forth the phrase "NOTICE OF PER-SONAL PROPERTY TAX LIEN" in that part of the financing statement otherwise used to describe the collateral;
- I. Indicate that the notice is filed as a non-UCC filing; and
- J. Indicate that the taxpayer or owner, if an organization, has no organizational identification number, regardless of whether such a number may exist for that entity.

The Except as provided in this subsection, the notice of lien need not contain the information required by Title 11, section 9-1516, subsection (2), paragraph (e), subparagraph (iii) and must be accepted for filing without that information notwithstanding the provisions of Title 11, section 9-1520, subsection (1). A copy of the notice of lien must be given by certified mail, return receipt requested, at the last known address, to the taxpayer, to the owner, if the owner is not the taxpayer, and to any party who has asserted that it holds an interest in any of the property that is subject to the lien in an authenticated notification received by the municipality within 5 years prior to the date on which the municipality sends the notice of lien for filing, or who has filed a financing statement with the office identified in Title 11, section 9-1501, subsection (1), paragraph (b) that remains effective as of the date on which the municipality sends the notice of lien for filing. Failure to give notice to any secured party who has a perfected security interest prevents the lien from taking priority over that security interest, but does not otherwise affect the validity of the lien.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect July 1, 2004.

Effective July 1, 2004.

CHAPTER 632

S.P. 619 - L.D. 1687

An Act To Protect the Privacy of Home Information of Maine State Retirement System Members, Benefit Recipients and Staff

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17057, sub-§3 is enacted to read:

- 3. Home contact information. Except as provided in this subsection, records of home contact information of retirement system members, benefit recipients or staff members that are in the possession of the retirement system are confidential, not open to public inspection and not public records as defined in Title 1, section 402, subsection 3.
 - A. For purposes of this subsection, "home contact information" means a home address, home telephone number, home facsimile transmission number or home e-mail address.
 - B. This subsection does not apply to home contact information of a retirement system member or benefit recipient if that person has signed a waiver of the confidentiality of the member's or recipient's home contact information. The retirement system shall make available a waiver form for such purpose.

See title page for effective date.

CHAPTER 633

S.P. 626 - L.D. 1694

An Act To Amend the Motor Vehicle Laws

Be it enacted by the People of the State of Maine as follows:

- **Sec. 1. 25 MRSA §2103-A, sub-§1,** as enacted by PL 1989, c. 754, Pt. C, §1, is amended to read:
- 1. Content of state rules. Any state rule adopted under this section must contain a brief description of the substance of the referenced federal regulations or amendments and instructions for obtaining a copy or a certified copy of those referenced federal regulations or amendments from the appropriate federal agency.
- **Sec. 2. 29-A MRSA §521, sub-§9-A,** as enacted by PL 1997, c. 673, §2, is amended to read:
- 9-A. Enforcement of disability parking restrictions.

 Local or county A law enforcement agencies officer may enforce handicapped disability parking restrictions on private off street parking areas. The State Police shall enforce handicapped disability parking restrictions at service facilities established on the Maine Turnpike and on the interstate highway system in the State. A person commits a traffic infraction if that person parks in a parking space designated and clearly marked for persons with physical disabilities and has not been issued or is not transporting a person who has been issued a disability