Substitute for Substitute for HOUSE BILL No. 2721

By Committee on Commerce, Labor and Economic Development

3-11

1 AN ACT concerning business entities; relating to business formation and 2 filing requirements; enacting the business entity standard treatment act; 3 amending K.S.A. 17-6002, 17-7673, 17-7674 and 17-7677 and K.S.A. 4 2013 Supp. 17-6003 and 56a-1102 and repealing the existing sections: 5 also repealing K.S.A. 17-6003a, 17-6201, 17-6202, 17-6203, 17-6205, 6 17-6206, 17-7303, 17-7306, 17-7402, 17-7664, 17-7665, 17-7666, 17-7 7676, 17-7683, 17-76,120, 17-76,121, 17-76,121a, 17-76,123, 17-8 76,124, 17-76,125, 17-76,136, 17-76,142, 56-1a102, 56-1a103, 56-9 1a105, 56-1a108, 56-1a154, 56-1a155, 56-1a501, 56-1a502, 56-1a503, 56-1a505, 56-1a506, 56-1a511, 56-1a605, 56a-1002, 56a-1101, 56a-10 1104 and 56a-1105 and K.S.A. 2013 Supp. 17-6204, 17-7301, 17-7506, 11 12 17-7678, 56-1a104, 56-1a504, 56a-1005 and 56a-1106.

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Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) This act shall be known and may be cited as the business entity standard treatment act.

- (b) The provisions of this act shall apply to all documents related to corporations, limited liability companies, limited partnerships and limited liability partnerships required to be filed with the secretary of state pursuant to this act.
- (c) This section shall take effect on and after January 1, 2015.
- New Sec. 2. As used in this act:
 - (a) "Covered entity" means:
- 24 (1) A corporation;
 - (2) a limited partnership;
 - (3) a limited liability partnership; and
 - (4) a limited liability company.
- 28 (b) "Foreign covered entity" means a covered entity whose internal affairs are governed by the laws of a jurisdiction other than this state.
 - (c) "Public organic document" means the filing of the public record which creates an entity and any amendment to or restatement of that record.
 - (d) "Governor" means a person by or under whose authority the powers of an entity are exercised and under whose direction the business and affairs of the entity are managed pursuant to the organic law and organic rules of the entity.

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- 1 (e) "Organic law" means the statutes, if any, other than this act, 2 governing the internal affairs of a covered entity.
 - (f) "Organic rules" means the public organic document and private organic rules of an entity.
 - (g) This section shall take effect on and after January 1, 2015.
 - New Sec. 3. (a) The following documents related to corporations shall be filed with the secretary of state:
 - (1) For-profit filings:
 - (A) For-profit articles of incorporation as set forth in K.S.A. 17-6002, and amendments thereto;
 - (B) professional association articles of incorporation as set forth in K.S.A. 17-2709, 17-2711 and 17-6002, and amendments thereto;
 - (C) close corporation articles of incorporation as set forth in K.S.A. 17-6426, 17-7201, 17-7202 and 17-7203, and amendments thereto;
 - (D) foreign for-profit application for authority as set forth in section 31 and K.S.A. 17-7307 through 17-7510, and amendments thereto;
 - (E) for-profit annual report as set forth in K.S.A. 17-7503 and 17-7505, and amendments thereto;
- 19 (F) professional association annual report as set forth in K.S.A. 17-20 2718, and amendments thereto;
- 21 (G) for-profit certificate of amendment as set forth in K.S.A. 17-22 6003, 17-6401, 17-6601, 17-6602 and 17-6603, and amendments thereto;
 - (H) amendment to professional associations as set forth in K.S.A. 17-2709, and amendments thereto:
 - (I) foreign for-profit corporation certificate of amendment as set forth in K.S.A. 17-7302, and amendments thereto;
 - (J) restated articles of incorporation as set forth in K.S.A. 17-6605, and amendments thereto;
 - (K) change of registered office or resident agent as set forth in sections 26, 27, 28 and 29, and amendments thereto;
 - (L) for-profit certificate of correction as set forth in section 12, and amendments thereto;
 - (M) mergers as set forth in K.S.A. 17-6701 through 17-6708, and amendments thereto:
- 35 (N) foreign mergers as set forth in K.S.A. 17-7302, and amendments thereto;
- 37 (O) certificate of amendment or termination of merger as set forth in K.S.A. 17-6701, and amendments thereto;
- 39 (P) foreign corporation merger as set forth in K.S.A. 17-7302, and 40 amendments thereto;
- 41 (Q) certificate of reinstatement as set forth in K.S.A. 17-7002, and 42 amendments thereto:
 - (R) certificate of dissolution prior to commencing business as set

- 1 forth in K.S.A. 17-6803, and amendments thereto;
 - (S) certificate of dissolution by stockholder's meeting as set forth in K.S.A. 17-6804, and amendments thereto;
 - (T) certificate of dissolution by written consent as set forth in K.S.A. 17-6804, and amendments thereto;
 - (U) foreign certificate of cancellation as set forth in section 36, and amendments thereto; and
 - (V) certificate of revocation of dissolution as set forth in K.S.A. 17-7001, and amendments thereto.
 - (2) Not-for-profit filings:
 - (A) Not-for-profit articles of incorporation as set forth in K.S.A. 17-6002, and amendments thereto;
 - (B) foreign not-for-profit application for authority as set forth in section 31, and amendments thereto;
 - (C) not-for-profit annual report as set forth in K.S.A. 17-7504, and amendments thereto;
 - (D) not-for-profit certificate of amendment as set forth in K.S.A. 17-6602, and amendments thereto;
 - (E) not-for-profit certificate of correction as set forth in section 12, and amendments thereto;
- (F) not-for-profit change of registered office or resident agent as set forth in sections 26, 27, 28 and 29, and amendments thereto;
 - (G) not-for-profit certificate of reinstatement as set forth in K.S.A. 17-7002, and amendments thereto; and
 - (H) certificate of dissolution as set forth in K.S.A. 17-6803, 17-6804 and 17-6805, and amendments thereto.
 - (b) Fees for corporate documents filed and indexed or issued by the secretary of state shall be determined as follows:
 - (1) The secretary of state shall charge each corporation a fee established pursuant to rules and regulations, but not exceeding \$250, for issuing or filing and indexing articles of incorporation of a for-profit or a foreign corporation application;
 - (2) the secretary of state shall charge each corporation a fee established by rules and regulations, but not exceeding \$50, for articles of incorporation of a nonprofit corporation;
 - (3) the secretary of state shall charge each corporation a fee established by rules and regulations, but not exceeding \$150, for issuing or filing and indexing any of the corporate documents described below:
- 39 (A) Certificate of extension, restoration, renewal or revival of articles of incorporation;
 - (B) certificate of amendment of articles of incorporation, either prior to or after payment of capital;
 - (C) certificate of designation of preferences;

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- 1 (D) certificate of retirement of preferred stock;
 - (E) certificate of increase or reduction of capital;
 - (F) certificate of dissolution, either prior to or after beginning business;
 - (G) certificate of revocation of voluntary dissolution;
 - (H) certificate of change of location of registered office and resident agent;
 - (I) agreement of merger or consolidation;
 - (J) certificate of ownership and merger;
- 10 (K) certificate of extension, restoration, renewal or revival of a certificate of authority of foreign corporation to do business in Kansas;
 - (L) change of resident agent or amendment by foreign corporation;
 - (M) certificate of withdrawal of foreign corporation;
 - (N) certificate of correction of any of the documents designated in this section;
 - (O) reservation of corporate name; and
 - (P) restated articles of incorporation.
 - (c) This section shall take effect on and after January 1, 2015.
- New Sec. 4. (a) The following documents related to limited liability companies shall be filed with the secretary of state:
- 21 (1) Articles of organization as set forth in K.S.A. 17-7673, and 22 amendments thereto;
 - (2) professional articles of organization as set forth in K.S.A. 17-7673, and amendments thereto;
 - (3) series limited liability company articles of organization as set forth in K.S.A. 2013 Supp. 17-76,143, and amendments thereto;
 - (4) foreign limited liability company application for authority as set forth in section 31, and amendments thereto;
 - (5) foreign series limited liability company application for admission to transact business as set forth in section 31 and K.S.A. 2013 Supp. 17-76,143, and amendments thereto;
- 32 (6) annual report as set forth in K.S.A. 17-76,139, and amendments thereto:
 - (7) certificate of amendment as set forth in K.S.A. 17-7674, and amendments thereto;
 - (8) restated articles of organization as set forth in K.S.A. 17-7680, and amendments thereto;
 - (9) series certificate of designation as set forth in K.S.A. 2013 Supp. 17-76,143, and amendments thereto;
 - (10) certificate of amendment or termination to certificate of merger or consolidation as set forth in K.S.A. 17-7681, and amendments thereto;
- 42 (11) certificate of correction as set forth in section 12, and 43 amendments thereto;

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- 1 (12) foreign certificate of correction as set forth in section 12, and 2 amendments thereto;
 - (13) change of registered office or resident agent as set forth in sections 26, 27, 28 and 29, and amendments thereto;
 - (14) mergers as set forth in K.S.A. 17-7681, and amendments thereto;
 - (15) reinstatement as set forth in K.S.A. 17-76,139, and amendments thereto;
- 8 (16) certificate of cancellation as set forth in K.S.A. 17-7675, and 9 amendments thereto; and
- 10 (17) foreign cancellation of registration as set forth in section 36, and amendments thereto.
 - (b) Fees for limited liability company documents filed and indexed or issued by the secretary of state shall be paid to the secretary of state as follows:
 - (1) Every limited liability company hereafter formed in this state shall pay a fee of \$150 at the time of filing its articles of organization;
 - (2) every foreign limited liability company shall pay a fee of \$150 at the time of filing its application to do business; and
 - (3) a fee of \$20 shall be paid for issuing or filing and indexing any of the following documents:
 - (A) A certificate of amendment of articles of organization;
 - (B) a restated articles of organization;
 - (C) a certificate of cancellation:
 - (D) a certificate of change of location of registered office or resident agent; and
 - (E) any certificate, affidavit, agreement or any other document provided for in this act, for which no fee is specifically prescribed.
 - (c) This section shall take effect on and after January 1, 2015.
 - New Sec. 5. (a) The following documents related to limited partnerships shall be filed with the secretary of state:
 - (1) Certificate of limited partnership as set forth in K.S.A. 56-1a151, and amendments thereto;
 - (2) foreign application for registration as set forth in section 31, and amendments thereto:
 - (3) annual report as set forth in K.S.A. 56-1a606 and 56-1a607, and amendments thereto:
 - (4) amendment to certificate as set forth in K.S.A. 56-1a152, and amendments thereto:
- 39 (5) restated certificate as set forth in K.S.A. 56-1a160, and 40 amendments thereto:
- 41 (6) change of registered office or resident agent as set forth in sections 26, 27, 28 and 29, and amendments thereto;
 - (7) foreign certificate of amendment or correction as set forth in

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- 1 section 12, and amendments thereto;
 - (8) mergers as set forth in K.S.A. 2013 Supp. 17-78,201 through 17-78,206, and amendments thereto;
 - (9) reinstatement as set forth in K.S.A. 56-1a606 and 56-1a607, and amendments thereto;
 - (10) cancellation as set forth in K.S.A. 56-1a153, and amendments thereto; and
- 8 (11) foreign cancellation of registration as set forth in section 36, and 9 amendments thereto.
 - (b) Fees for limited partnership documents filed and indexed or issued by the secretary of state shall be paid to the secretary of state as follows:
 - (1) A fee of \$150 shall be paid by limited partnerships hereafter formed in this state for filing a certificate of limited partnership;
 - (2) a fee of \$150 shall be paid by foreign limited partnerships for filing an application to do business; and
 - (3) a fee of \$20 shall be paid for issuing or filing and indexing any of the documents described below:
 - (A) Certificate of amendment of limited partnership;
 - (B) restated certificate of limited partnership;
 - (C) certificate of cancellation of limited partnership;
 - (D) certificate of change of location of registered office or resident agent; and
 - (E) any certificate, affidavit, agreement or any other document provided for in this act, for which no different fee is specifically prescribed.
 - (c) This section shall take effect on and after January 1, 2015.
- New Sec. 6. (a) The following documents related to limited liability partnerships shall be filed with the secretary of state:
- 30 (1) Statement of qualification as set forth in K.S.A. 56a-1001, and amendments thereto;
- 32 (2) foreign statement of qualification as set forth in section 31, and amendments thereto;
 - (3) annual report as set forth in K.S.A. 56a-1201 and 56a-1202, and amendments thereto;
 - (4) amendment to statement of qualification as set forth in K.S.A. 56a-105, and amendments thereto;
 - (5) change of registered office or resident agent as set forth in sections 26, 27, 28 and 29, and amendments thereto;
 - (6) reinstatement as set forth in K.S.A. 56a-1201, and amendments thereto;
- 42 (7) cancellation of statement as set forth in K.S.A. 56a-105, and 43 amendments thereto;

- (8) statement of denial as set forth in K.S.A. 56a-304, and amendments thereto;
 - (9) statement of dissociation as set forth in K.S.A. 56a-704, and amendments thereto;
 - (10) statement of dissolution as set forth in K.S.A. 56a-105 and 56a-805, and amendments thereto; and
 - (11) statement of merger as set forth in K.S.A. 56a-907, and amendments thereto.
 - (b) Fees for limited liability partnership documents filed and indexed or issued by the secretary of state shall be set by rules and regulations issued by the secretary of state.
 - (c) This section shall take effect on and after January 1, 2015.
 - New Sec. 7. (a) The secretary of state shall by rules and regulations establish fees, but not exceeding \$50 in addition to a reasonable fee per page, for issuing certified copies, photocopies, certificates of good standing, certificates of fact and any other certificate or filing for which a filing or indexing fee is not prescribed by law.
 - (b) The secretary of state shall establish a reasonable fee for a report of record search, but furnishing the following information shall not be considered a record search and no charge shall be made therefor: Name of the entity and the address of its registered office; name and address of the resident agent; the amount of its authorized capital stock, if any; the state of the entity's formation; the date of filing of its public organic document or annual report; and the date of expiration.
 - (c) The secretary of state shall prescribe by rules and regulations any fees required by this act.
 - (d) The secretary of state is hereby authorized to adopt such rules and regulations as may be necessary to carry out the provisions of this act. No rule and regulation adopted pursuant to this section shall take effect prior to January 1, 2015.
 - New Sec. 8. All documents required by this act to be filed with the secretary of state shall be executed as follows:
 - (a) Documents related to corporations shall be executed in the following manner:
- (1) The articles of incorporation for all corporations shall be signed by the incorporator or incorporators, and any other document to be filed before the election of the initial board of directors, if the initial directors were not named in the articles of incorporation, shall be signed by the incorporator or incorporators. If any incorporator is not available by reason of death, incapacity or refusal or neglect to act, then the document may be signed by any person for whom or on whose behalf such incorporator was acting as an employee or agent. The document shall state that the incorporator is not available and the reason therefore, that such

 incorporator was acting as an employee or agent for or on behalf of such person and that such person's signature is authorized.

- (2) All documents related to a corporation that are not addressed by subsection (a)(1), shall be signed: (A) By any authorized officer of the corporation; (B) if it appears from the document that there are no such officers, by a majority of the directors or by such directors as may be designated by the board; (C) if it appears from the document that there are no such officers or directors, by the holders of record, or such of them as may be designated by the holders of record, of a majority of all outstanding shares of stock; or (D) by the holders of record of all outstanding shares of stock.
- (b) Documents related to limited liability companies shall be executed in the following manner: All documents shall be signed by one or more authorized persons. Unless otherwise provided in an operating agreement, any person may sign the articles, any certificate, any amendment thereof, or enter into an operating agreement or amendment thereof by an agent.
- (c) Documents related to limited partnerships shall be executed in the following manner:
- (1) An initial certificate of limited partnership must be signed by all general partners;
- (2) a certificate of amendment must be signed by at least one general partner and by each other general partner who is designated in the certificate of amendment as a new general partner; and
- (3) a certificate of cancellation must be signed by all general partners or, if there is no general partner, by a majority of the limited partners.
- (d) Documents related to limited liability partnerships shall be executed by an authorized person.
 - (e) This section shall take effect on and after January 1, 2015.
- New Sec. 9. (a) The execution of any document required to be filed by chapter 17 of the Kansas Statutes Annotated, and amendments thereto, and by this act with the secretary of state shall constitute an oath or affirmation, under the penalties of perjury, that the facts stated in the document are true and that any power of attorney used in connection with the execution is in proper form and substance.
 - (b) This section shall take effect on and after January 1, 2015.
- New Sec. 10. When any document is required by this act to be filed with the secretary of state, such requirement means that:
- (a) The original signed document shall be delivered to the office of the secretary of state, where the document shall be recorded in an electronic medium. Any signature on documents authorized to be filed with the secretary of state under the provisions of this act may be a facsimile, a conformed signature or an electronically transmitted signature;

- (b) all taxes and fees authorized by law to be collected by the secretary of state in connection with the filing of the document shall be tendered to the secretary of state;
- (c) upon delivery of the document, and upon tender of the required taxes and fees, the secretary of state shall certify that the document has been filed in the office of the secretary of state by endorsing upon the electronically-recorded document the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the document and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed document in an electronic medium and that electronic document shall become the original document; and
- (d) the secretary of state shall return a certified copy of the recorded document to the person who filed the document or that person's representative, except this provision shall not apply to annual reports.
 - (e) This section shall take effect on and after January 1, 2015.

New Sec. 11. Any document that is required by this act to be filed with the secretary of state shall be effective upon its filing date. Any document may provide that it is not to become effective until a specified date subsequent to its filing date, but such date shall not be later than 90 days after its filing date. If any document filed in accordance with this act provides for a future effective date and the transaction is terminated or its terms are amended to change the future effective date prior to the future effective date, the document shall be terminated or amended by the filing, prior to the future effective date, of a certificate of termination or a certificate of amendment of the original document, executed and filed in accordance with this section. The certificate shall identify the document which has been terminated or amended, and shall state that the document has been terminated or the manner in which it has been amended.

This section shall take effect on and after January 1, 2015.

New Sec. 12. When any document that is required by this act to be filed with the secretary of state has been so filed and is an inaccurate record of the covered entity action therein referred to, or was defectively or erroneously executed, such document may be corrected by filing with the secretary of state a certificate of correction of such document which shall be executed and filed in accordance with this act. The certificate of correction shall specify the inaccuracy or defect to be corrected and shall set forth the portion of the document in corrected form. In lieu of filing a certificate of correction, the document may be corrected by filing with the secretary of state a corrected document which shall be executed and filed in accordance with this act. A fee equal to the fee payable to the secretary of state if the document being corrected were then being filed shall be paid and collected by the secretary of state. The corrected document shall be

specifically designated as such in its heading, shall specify the inaccuracy or defect to be corrected, and shall set forth the entire document in corrected form. A document corrected in accordance with this section shall be effective as of the date the original document was filed, except as to those persons who are substantially and adversely affected by the correction and as to those persons, the corrected document shall be effective from the filing date.

This section shall take effect on and after January 1, 2015.

New Sec. 13. The secretary of state is not required to file any document that the secretary of state finds, on its face, does not conform to law. If any document required to be filed by this act with the secretary of state is filed and is inaccurately, defectively or erroneously executed or otherwise defective in any respect, the secretary of state shall not be liable to any person for the preclearance for filing, the acceptance for filing or the filing and indexing of such document.

This section shall take effect on and after January 1, 2015.

New Sec. 14. (a) Any document required to be filed by this act with the secretary of state may be filed by telefacsimile communication. If such telefacsimile communication is accompanied with the appropriate fees, and meets the statutory requirements, it shall be effective upon its filing date or future effective date as prescribed in the document. The secretary of state shall prescribe a telefacsimile communication fee in addition to any filing fees to cover the cost of the services. The fee must be paid prior to acceptance of a telefacsimile communication under this section. The telefacsimile communication fee shall be deposited into the information and services fee fund.

- (b) As used in this act, "telefacsimile communication" means the use of electronic equipment to send or transfer a document. This section shall not be construed so as to require the secretary of state to accept any filing through electronic mail. The secretary of state may designate acceptable types or formats of telefacsimile communication for filing documents pursuant to this act.
 - (c) This section shall take effect on and after January 1, 2015.

New Sec. 15. Service of process in any action against a covered entity shall be made in the manner described in K.S.A. 60-304, and amendments thereto.

This section shall take effect on and after January 1, 2015.

New Sec. 16. Any person may sign any document filed with the secretary of state pursuant to this act by an attorney-in-fact, but a power of attorney to sign a certificate relating to the admission of a general partner must describe the admission. Powers of attorney relating to the signing of a document by an attorney-in-fact need not be filed in the office of the secretary of state but must be retained by the covered entity.

This section shall take effect on and after January 1, 2015.

New Sec. 17. If a person required by this act to execute any document fails or refuses to do so, any other person who is adversely affected by the failure or refusal may petition the district court to direct the execution of the document. If the court finds that it is proper for the document to be executed and that the person required to execute the document has failed or refused to do so, the court shall order the secretary of state to record an appropriate document.

This section shall take effect on and after January 1, 2015.

New Sec. 18. (a) Except as otherwise provided in subsection (b), the names of all covered entities must be distinguishable on the records of the office of the secretary of state from:

- (1) The name of any other covered entity;
- (2) the name of any non-covered entity, other than a general partnership, that has filed with the office of the secretary of state; and
- (3) any entity name reserved pursuant to section 23, and amendments thereto.
- (b) A covered entity may register under any name that is not distinguishable on the records of the office of the secretary of state from the name of any other covered entity or non-covered entity that has filed with the office of the secretary of state with the written consent of the other entity, which written consent shall be filed with the secretary of state.
- (c) A covered entity may use a name that is not distinguishable from a name described in subsection (a)(1) through (3) if the entity delivers to the secretary of state a certified copy of a final judgment of a court of competent jurisdiction establishing the right of the entity to use the name in this state.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 19. The name of a corporation, except for banks, shall contain:
- (a) One of the following words: "Association"; "church"; "college"; "company"; "corporation"; "club"; "foundation"; "fund"; "incorporated"; "institute"; "society"; "union"; "university"; "syndicate" or "limited";
- (b) one of the following abbreviations: "Co."; "corp."; "inc." or "ltd."; or
- (c) words or abbreviations of like import in other languages if they are written in Roman characters or letters.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 20. (a) The name of a limited liability company shall contain:
- 41 (1) One of the following phrases: "limited liability company" or 42 "limited company";
 - (2) one of the following abbreviations: "L.L.C." or "L.C."; or

- (3) one of the following designations: "LLC" or "LC."
- (b) The name of a limited liability company may contain the name of a member or manager.
- (c) The name of a limited liability company may contain one or more of the following words: "Company"; "association"; "club"; "foundation"; "fund"; "institute"; "society"; "union"; "syndicate"; "limited"; "trust" or abbreviations of like import.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 21. (a) The name of each limited partnership, as set forth in its certificate of limited partnership, shall contain the words "Limited Partnership" or the abbreviation "L.P." or "LP";
- (b) The name of each limited partnership, as set forth in its certificate of limited partnership, may not contain the name of a limited partner unless:
- (1) The name of the limited partner is also the name of a general partner or the corporate name of a corporate general partner; or
- (2) the business of the limited partnership had been carried on under that name before the admission of that limited partner.
- (c) The name of each limited partnership, as set forth in its certificate of limited partnership, may contain the following words: "Company"; "association"; "club"; "foundation"; "fund"; "institute"; "society"; "union"; "syndicate"; "limited"; or "trust" or abbreviations of similar import.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 22. The name of a limited liability partnership must end with "registered limited liability partnership," "limited liability partnership," "R.L.L.P.", "L.L.P.", "RLLP" or "LLP".
 - This section shall take effect on and after January 1, 2015.
- New Sec. 23. (a) The exclusive right to the use of an entity name may be reserved by:
- (1) Any person intending to organize a covered entity under the laws of this state;
 - (2) any domestic covered entity intending to change its name;
- (3) any foreign covered entity intending to make application for a certificate of authority to transact business in this state;
- (4) any foreign covered entity authorized to transact business in this state, and intending to change its name; and
- (5) any person intending to organize a foreign covered entity, and intending to have such entity make application for a certificate of authority to transact business in this state.
- (b) The reservation shall be made by filing with the secretary of state an application to reserve a specific covered entity name, executed by the applicant. The reservation may be filed by telefacsimile communication as prescribed by section 14, and amendments thereto. If the secretary of state

finds that the name is available, the secretary of state shall reserve the same for the exclusive use of the applicant for a period of 120 days.

- (c) The right to exclusive use of a specified entity name, reserved pursuant to this section, may be transferred to any other person or covered entity by filing in the office of the secretary of state, a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 24. (a) Every covered entity shall have and maintain in this state a registered office which may, but need not be, the same as its place of business.
- (b) Unless the context otherwise requires, whenever the term "principal office or place of business in this state" or "principal office or place of business of the (applicable covered entity) in this state," or other term of like import, is or has been used in the covered entity's public organic documents, or in any other document or in any statute other than the Kansas uniform commercial code, it shall be deemed to mean and refer to the covered entity's registered office required by this section, and it shall not be necessary for any covered entity to amend its public organic documents or any other document to comply with this section.
 - (c) This section shall take effect on and after January 1, 2015.
- New Sec. 25. (a) Every covered entity shall have and maintain in this state a resident agent, which agent may be either:
 - (1) The covered entity itself;
 - (2) an individual resident in this state;
- (3) a domestic corporation, a domestic limited partnership, a domestic limited liability company or a domestic business trust; or
- (4) a foreign corporation, a foreign limited partnership, a foreign limited liability company or a foreign business trust authorized to transact business in this state.
- (b) The resident agent shall have a business office identical with the registered office which is generally open during normal business hours to accept service of process and otherwise perform the functions of a resident agent.
- (c) Unless the context otherwise requires, whenever the term "resident agent" or "registered agent" or "resident agent in charge of a (applicable covered entity's) principal office or place of business in this state," or other term of like import which refers to a covered entity's agent required by statute to be located in this state, is or has been used in a covered entity's public organic documents, or in any other document, or in any statute, it shall be deemed to mean and refer to the covered entity's resident agent required by this section, and it shall not be necessary for any covered entity to amend its public organic documents, or any other

document, to comply with this section.

- (d) This section shall take effect on and after January 1, 2015.
- New Sec. 26. (a) Any covered entity, by action of its governing body or by any other means set forth in its organic rules, may change the location of its registered office in this state to any other place in this state and the resident agent may be changed to any other person described in section 25(a), and amendments thereto. A certificate certifying the change shall be executed and filed with the secretary of state in accordance with sections 8 through 10, and amendments thereto.
- (b) If a covered entity's resident agent dies or moves from the registered office, the entity shall designate and certify to the secretary of state the name and address of another resident agent, in the manner provided in subsection (a), within 30 days of such death or move. If no new resident agent is designated in the time and manner as provided in this subsection, service of legal process on such entity may be made as prescribed by K.S.A. 60-304, and amendments thereto. If any covered entity fails to designate a new resident agent as required by this subsection, the secretary of state, after giving 30 days notice of the intended action, may declare the entity's public organic document forfeited or, in the case of a foreign entity, the secretary may declare the foreign entity's authority to do business in this state forfeited.
- (c) Any covered entity which files a certificate under this section shall not be required to take any further action to amend its public organic documents to reflect a change of registered office or resident agent.
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 27. (a) A resident agent may change the address of the registered office of any covered entities for which such agent is resident agent to another address in this state by paying a fee and filing with the secretary of state a certificate, executed by such resident agent, setting forth the names of all the covered entities represented by such resident agent, and the address at which such resident agent has maintained the registered office for each of such covered entities, and further certifying to the new address to which each such registered office will be changed on a given day, and at which new address such resident agent will thereafter maintain the registered office for each of the covered entities recited in the certificate. Upon the filing of such certificate, the secretary of state shall furnish to the resident agent a certified copy of the certificate, and thereafter, or until further change of address, as authorized by law, the registered office in this state of each of the covered entities recited in the certificate shall be located at the new address of the resident agent thereof as given in the certificate.
- (b) Whenever the location of a resident agent's office is moved to another room or suite within the same structure and such change is

reported in writing to the secretary of state, no fee shall be charged for recording such change on the appropriate records on file with the secretary of state.

- (c) In the event of a change of name of any person acting as resident agent in this state, such resident agent shall pay a fee and file with the secretary of state a certificate, executed by such resident agent, setting forth the new name of such resident agent, the name of such resident agent before it was changed, the names of all the covered entities represented by such resident agent, and the address at which such resident agent has maintained the registered office for each of such covered entities.
- (d) In the event of both a change of name of any person acting as resident agent for any covered entity and a change of address, such resident agent shall pay a fee and file with the secretary of state a certificate, executed by such resident agent, setting forth the new name of such resident agent, the name of such resident agent before it was changed, the names of all the covered entities represented by such resident agent and the address at which such resident agent has maintained the registered office for each such covered entity, and further certifying to the new address to which each such registered office will be changed on a given day, and at which new address such resident agent will thereafter maintain the registered office for each of the covered entities recited in the certificate. Upon the filing of such certificate, and thereafter, or until further change of address or change of name, as authorized by law, the registered office in this state of each of the covered entities recited in the certificate shall be located at the new address of the resident agent as given in the certificate and the change of name shall be effective.
 - (e) This section shall take effect on and after January 1, 2015.

New Sec. 28. (a) The resident agent of one or more covered entities may resign and appoint a successor resident agent by paying a fee and filing a certificate with the secretary of state, stating that the resident agent resigns and the name and address of the successor agent. There shall be attached to such certificate a statement executed by each affected covered entity ratifying and approving such change of resident agent. Upon such filing, the successor resident agent shall become the resident agent of such covered entities as have ratified and approved such substitution and the successor resident agent's address, as stated in such certificate, shall become the address of each such covered entity's registered office in this state.

- (b) Any covered entity affected by the filing of a certificate under this section shall not be required to take any further action to amend its public organic documents to reflect a change of registered office or resident agent.
 - (c) This section shall take effect on and after January 1, 2015.

New Sec. 29. (a) The resident agent of one or more covered entities may resign without appointing a successor by paying a fee and filing a certificate with the secretary of state stating that the resident agent resigns as resident agent for the covered entities identified in the certificate, but such resignation shall not become effective until 60 days after the certificate is filed. There shall be attached to such certificate an affidavit of such resident agent, if an individual, or of an authorized governor, if an entity, that at least 30 days prior to the filing of such certificate, due notice was sent by certified or registered mail to the covered entities for which such resident agent is resigning as resident agent, at the principal office thereof within or outside the state of Kansas, if known to such resident agent, or if not so known, to the last known address of the individual at whose request such resident agent was appointed for such entity, of the resignation of such resident agent.

- (b) After receipt of the notice of the resignation of its resident agent, provided for in subsection (a), any covered entity for which such resident agent was acting shall obtain and designate a new resident agent to succeed the resident agent so resigning. Such covered entity shall pay a fee and file with the secretary of state a certificate setting forth the name and address of the successor resident agent. Upon such filing, the successor resident agent shall become the resident agent of such covered entity and the successor resident agent's address, as stated in such certificate, shall become the address of the covered entity's registered office in this state. If, prior to the expiration of the period of 60 days after the filing by the resident agent of the certificate of resignation, such covered entity fails to obtain and designate a new resident agent, as required by this subsection, the secretary of state may declare the entity's organizing documents forfeited or, in the case of a foreign entity, the secretary may declare the foreign entity's authority to do business in this state forfeited.
- (c) After the resignation of the resident agent shall have become effective, as provided in subsection (a), and if no new resident agent shall have been obtained and designated in the time and manner provided for in subsection (b), service of legal process against the covered entity for which the resigned resident agent had been acting shall thereafter be upon the secretary of state in the manner prescribed by K.S.A. 60-304, and amendments thereto.
- (d) Any covered entity affected by the filing of a certificate under this section shall not be required to take any further action to amend its public organic documents to reflect a change of registered office or resident agent.
 - (e) This section shall take effect on and after January 1, 2015. New Sec. 30. (a) Subject to the constitution of the state of Kansas:
 - (1) The laws of the state, territory, possession, county or other

jurisdiction under which a foreign covered entity is organized govern its organization and internal affairs and the liability of its members and governors; and

- (2) a foreign covered entity may not be denied registration by reason of any difference between those laws and the laws of the state of Kansas.
- (b) Registration with the secretary of state does not authorize a foreign covered entity to engage in any business or exercise any power that a covered entity may not engage in or exercise in this state as a foreign covered entity.
- (c) A foreign covered entity may conduct or promote any lawful business or purposes, except as otherwise provided by the laws of this state
 - (d) This section shall take effect on and after January 1, 2015.
- New Sec. 31. (a) Before doing business in the state of Kansas, a foreign covered entity shall register with the secretary of state. In order to register, a foreign covered entity shall submit to the secretary of state, together with payment of the fee required by this act, an original copy executed by a governor, of an application for registration as a foreign covered entity, setting forth:
 - (1) The name of the foreign covered entity;
 - (2) the state or other jurisdiction or country where organized;
 - (3) the date of its organization;
- (4) a statement issued by an appropriate authority in that jurisdiction or by a third-party agent authorized by the secretary of state that the foreign covered entity exists in good standing under the laws of the jurisdiction of its organization;
- (5) the nature of the business or purposes to be conducted or promoted in the state of Kansas, including whether the covered entity operates for-profit or not-for-profit;
- (6) the address of the registered office and the name and address of the resident agent for service of process required to be maintained by this act;
- (7) an irrevocable written consent of the foreign covered entity that actions may be commenced against it in the proper court of any county where there is proper venue by the service of process on the secretary of state as provided for in K.S.A. 60-304, and amendments thereto, and stipulating and agreeing that such service shall be taken and held, in all courts, to be as valid and binding as if due service had been made upon the governors of the foreign covered entity;
- (8) the name and business, residence or mailing address of each of the governors; and
- (9) the date on which the foreign covered entity first did, or intends to do, business in the state of Kansas.

- (b) A person shall not be deemed to be doing business in the state of Kansas solely by reason of being a member or governor of a domestic covered entity or a foreign covered entity.
 - (c) This section shall take effect on and after January 1, 2015.
- New Sec. 32. (a) Activities of a foreign covered entity which do not constitute doing business within the meaning of section 31, and amendments thereto, include:
 - (1) Maintaining, defending or settling an action or proceeding;
- (2) holding meetings or carrying on any other activity concerning its internal affairs:
 - (3) maintaining bank accounts;
- (4) maintaining offices or agencies for the transfer, exchange or registration of the covered entity's own securities or maintaining trustees or depositories with respect to those securities;
 - (5) selling through independent contractors;
- (6) soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts;
- (7) selling, by contract consummated outside the state of Kansas, and agreeing, by the contract, to deliver into the state of Kansas machinery, plants or equipment, the construction, erection or installation of which within the state requires the supervision of technical engineers or skilled employees performing services not generally available, and as part of the contract of sale agreeing to furnish such services, and such services only, to the vendee at the time of construction, erection or installation;
- (8) creating, as borrower or lender, or acquiring indebtedness, mortgages or security interests with or without a mortgage or other security interest in real or personal property;
- (9) securing or collecting debts or foreclosing mortgages or other security interests in property securing the debts, and holding, protecting and maintaining property so acquired;
- (10) conducting an isolated transaction that is completed within 30 days and is not one in the course of similar transactions of like nature; and
 - (11) transacting business in interstate commerce.
- (b) The ownership in this state of income producing real property or tangible personal property, other than property excluded under subsection (a), constitutes doing business in this state.
- (c) A person shall not be deemed to be doing business in the state of Kansas solely by reason of being a member, stockholder, limited partner or governor of a domestic covered entity or a foreign covered entity.
- (d) This section does not apply in determining the contacts or activities that may subject a foreign covered entity to service of process, taxation or regulation under any other law of this state.

 (e) This section shall take effect on and after January 1, 2015.

The secretary of state shall not issue a registration to a New Sec. 33. foreign covered entity unless the name of such covered entity is such as to distinguish it upon the records of the office of the secretary of state from the names of limited liability companies, corporations, limited partnerships or limited liability partnerships organized under the laws of this state or reserved or registered as a foreign limited liability company, foreign corporation, foreign limited partnership or foreign limited liability partnership under the laws of this state, except that a foreign covered entity may register under a name which is not such as to distinguish it upon the records of the office of the secretary of state from the name of other limited liability companies, corporations, limited partnerships or limited liability partnerships organized under the laws of this state or reserved or registered as a foreign limited liability company, foreign corporation, foreign limited partnership or foreign limited liability partnership under the laws of this state if:

- (a) Written consent is obtained from the other domestic or foreign limited liability company, corporation, limited partnership or foreign limited liability partnership and filed with the secretary of state; or
- (b) the foreign covered entity indicates, as a means of identification and in its advertising within this state, the state in which the foreign covered entity was formed, and the application sets forth this condition.
- (c) This section shall take effect on and after January 1, 2015. New Sec. 34. (a) Each foreign covered entity shall have and maintain in the state of Kansas:
- (1) A registered office which may, but need not, be its place of business in the state of Kansas; and
- (2) a resident agent for service of process on the covered entity, which agent may be the foreign covered entity itself, an individual resident of the state of Kansas, a domestic corporation, a domestic limited partnership, a domestic limited liability company, a domestic business trust, or a foreign corporation, foreign limited partnership, foreign limited liability company or foreign business trust authorized to do business in the state of Kansas whose business office is identical with the covered entity's registered office.
- (b) A resident agent may change the address of the registered office of the foreign covered entity for which the resident agent is resident agent to another address in the state of Kansas by:
 - (1) Paying the fee required by this act;
- (2) filing with the secretary of state a certificate executed by the resident agent, setting forth the names of all the foreign covered entities represented by the resident agent and the address at which the resident agent has maintained the registered office for each of such foreign covered

entity; and

- (3) certifying to the new address to which each such registered office will be changed on a given day and at which the resident agent will thereafter maintain the registered office for each of the foreign covered entities recited in the certificate. Upon the filing of the certificate, the secretary of state shall furnish to the resident agent a certified copy of such certificate. Thereafter, or until further change of address, as authorized by law, the registered office in the state of Kansas of each of the foreign covered entities recited in the certificate shall be located at the new address of the resident agent of the entity given in the certificate. Filing of the certificate shall be considered an amendment of the application of each foreign covered entity affected by the certificate, and the foreign covered entity shall not be required to take any further action with respect thereto, to amend its application. Any resident agent filing a certificate under this section, upon such filing, shall deliver promptly a copy of such certificate to each foreign covered entity affected thereby.
- (c) The resident agent of one or more foreign covered entities may resign and appoint a successor resident agent by paying the fee required by this act and filing a certificate with the secretary of state, stating that the resident agent resigns as resident agent for the foreign covered entity identified in the certificate and giving the name and address of the successor resident agent. There shall be attached to the certificate a statement executed by each affected foreign covered entity ratifying and approving the change of resident agent. Upon the filing, the successor resident agent shall become the resident agent of those foreign covered entities that have ratified and approved the substitution and the successor resident agent's address, as stated in the certificate, shall become the address of each such foreign covered entities' registered office in the state of Kansas. Filing of the certificate of resignation shall be deemed to be an amendment of the application of each foreign covered entity affected by the certificate, and the foreign covered entity shall not be required to take any further action with respect thereto, to amend its application.
- (d) The resident agent of one or more foreign covered entities may resign without appointing a successor resident agent by paying the fee required by this act and filing a certificate with the secretary of state stating that the resident agent resigns as resident agent for the foreign covered entities identified in the certificate, but the resignation shall not become effective until 60 days after the certificate is filed. There shall be attached to the certificate an affidavit that, at least 30 days prior to the date of the filing of the certificate, notice of the resignation of the resident agent was sent by certified or registered mail to each foreign covered entity for which the resident agent is resigning as resident agent. The affidavit shall state that the notice was sent to the principal office of each

of the foreign covered entities within or outside the state of Kansas, if known to the resident agent or, if not, to the last known address of the individual at whose request the resident agent was appointed for the foreign covered entity. After receipt of the notice of the resignation of its resident agent, the foreign covered entity for which the resident agent was acting shall obtain and designate a new resident agent, to take the place of the resident agent resigning. If a foreign covered entity fails to obtain and designate a new resident agent within 60 days after the filing by the resident agent of the certificate of resignation, that foreign covered entity shall not be permitted to do business in the state of Kansas and its registration shall be considered forfeited.

(e) This section shall take effect on and after January 1, 2015.

New Sec. 35. If any statement in the application for registration of a foreign covered entity was false in any material respect when made or any arrangements or other facts described have changed, making the application inaccurate in any material respect, the foreign covered entity shall file promptly with the secretary of state a certificate, executed by an authorized person, correcting the statement, together with the fee required by this act.

This section shall take effect on and after January 1, 2015.

New Sec. 36. (a) A foreign covered entity may cancel its registration by filing with the secretary of state a certificate of cancellation executed by an authorized person, together with the fee required by this act and the annual report and annual report fee for any tax period which has ended. The certificate of cancellation shall state that the foreign covered entity surrenders its authority to transact business in the state of Kansas and withdraws therefrom. The certificate of cancellation shall provide the address to which the secretary of state may mail any process against the foreign covered entity that may be served upon the secretary of state. A cancellation does not terminate the authority of the secretary of state to accept service of process on the foreign covered entity with respect to causes of action arising out of the doing of business in the state of Kansas.

- (b) The filing of a certificate of dissolution or certificate of cancellation issued by the proper official of the state or other jurisdiction in which a foreign covered entity is organized shall have the same effect as the filing of a certificate of cancellation as provided for in subsection (a) above.
 - (c) This section shall take effect on and after January 1, 2015.

New Sec. 37. The attorney general may maintain an action to restrain a foreign limited liability partnership from transacting business in this state in violation of the provisions of this act.

This section shall take effect on and after January 1, 2015.

New Sec. 38. A certified copy of any document from the secretary of

state conclusively establishes that the original document is on file with the secretary of state.

This section shall take effect on and after January 1, 2015.

New Sec. 39. If any provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application. To this end, the provisions of this act are severable.

This section shall take effect on and after January 1, 2015.

Sec. 40. On and after January 1, 2015, K.S.A. 17-6002 is hereby amended to read as follows: 17-6002. (a) The articles of incorporation shall set forth:

- (1) The name of the corporation—which, except for banks, shallcontain one of the words "association," "church," "college," "company," "corporation," "club," "foundation," "fund," "incorporated," "institute," "society," "union," "university," "syndicate" or "limited," or one of theabbreviations "co.," "corp.," "inc.," "ltd.," or words or abbreviations of like import in other languages if they are written in Roman characters or letters, and which shall be such as to distinguish it upon the records in the office of the secretary of state from the names of other corporations, limited liability companies and limited partnerships organized, reserved or registered under the laws of this state, unless there shall be obtained the written consent of such other corporation, limited liability company or limited partnership executed and filed in accordance with K.S.A. 17-6003, and amendments thereto. The name of every corporation heretoforeorganized, except for banks, may be changed to conform to the provisions of this section, but such change of name for existing corporations shall not be required, and nothing herein shall be construed as requiring anycorporation which is subject to special statutory regulation to include any of such names or abbreviations in the name of such corporation if such name or abbreviation would be inconsistent or in conflict with such special statutory regulation pursuant to sections 18 and 19, and amendments thereto, of the business entity standard treatment act;
- (2) the address, which shall include the street, number, city and zip code of the corporation's registered office in this state, and the name of its resident agent at such address;
- (3) the nature of the business or purposes to be conducted or promoted. It shall be sufficient to state, either alone or with other businesses or purposes, that the purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the Kansas general corporation code, and by such statement all lawful acts and activities shall be within the purposes of the corporation, except for express limitations, if any;

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- (4) if the corporation is to be authorized to issue only one class of stock, the total number of shares of stock which the corporation shall have authority to issue and the par value of each of such shares, or a statement that all such shares are to be without par value. If the corporation is to be authorized to issue more than one class of stock, the articles of incorporation shall set forth the total number of shares of all classes of stock which the corporation shall have authority to issue and the number of shares of each class, and shall specify each class the shares of which are to be without par value, and each class the shares of which are to have a par value and the par value of the shares of each such class. The articles of incorporation shall also set forth a statement of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, which are permitted by K.S.A. 17-6401, and amendments thereto, in respect to any class or classes of stock or any series of any class of stock of the corporation and the fixing of which by the articles of incorporation is desired, and an express grant of such authority as it may then be desired to grant to the board of directors to fix by resolution or resolutions any thereof that may be desired but which shall not be fixed by the articles of incorporation. The provisions of this subsection shall not apply to corporations which are not organized for profit and which are not to have authority to issue capital stock. In the case of such corporations, the fact that they are not to have authority to issue capital stock shall be stated in the articles of incorporation and unless otherwise provided in the articles of incorporation or bylaws, the directors of such corporation shall be members for all purposes under the Kansas general corporation code. The conditions of membership of such corporations shall likewise be stated in the articles of incorporation or the articles may provide that the conditions of membership shall be stated in the bylaws, and if a corporation not organized for profit is to have authority to issue capital stock, such fact shall be stated in the articles of incorporation;
 - (5) the name and mailing address of the incorporator or incorporators; and
 - (6) if the powers of the incorporator or incorporators are to terminate upon the filing of the articles of incorporation, the names and mailing addresses of the persons who are to serve as directors until the first annual meeting of stockholders or until their successors are elected and qualify.
 - (b) In addition to the matters required to be set forth in the articles of incorporation by subsection (a), the articles of incorporation may also contain any or all of the following matters:
 - (1) Any provision for the management of the business and for the conduct of the affairs of the corporation, and any provision creating, defining, limiting and regulating the sale or other disposition of stock and

the powers of the corporation, the directors and the stockholders, or any class of the stockholders, or the members of a nonstock corporation, if such provisions are not contrary to the laws of this state. Any provision which is required or permitted by any section of this act to be stated in the bylaws may be stated instead in the articles of incorporation;

- (2) the following provisions, in these words: "Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them or between this corporation and its stockholders or any class of them, any court of competent jurisdiction within the state of Kansas, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of K.S.A. 17-6808 and 17-6901, and amendments thereto, may order a meeting of the creditors or class of creditors, or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the court directs. If a majority in number representing ³/₄ in value of the creditors or class of creditors, or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement and the reorganization, if sanctioned by the court to which the application has been made, shall be binding on all the creditors or class of creditors, or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation";
- (3) such provisions as may be desired granting to the holders of the stock of the corporation, or the holders of any class or series of a class thereof, the preemptive right to subscribe to any or all additional issues of stock of the corporation of any or all classes or series thereof, or to any securities of the corporation convertible into such stock. No stockholder shall have any preemptive right to subscribe to an additional issue of stock or to any security convertible into such stock unless, and except to the extent that, such right is expressly granted to such stockholder in the articles of incorporation. All such rights in existence on July 1, 1972, shall remain in existence unaffected by this paragraph (3) unless and until changed or terminated by appropriate action which expressly provides for such change or termination;
- (4) provisions requiring for any corporate action, the vote of a larger portion of the stock or of any class or series thereof, or of any other securities having voting power, or a larger number of the directors, than is required by this act;
- (5) a provision limiting the duration of the corporation's existence to a specified date; otherwise, the corporation shall have perpetual existence;
 - (6) a provision imposing personal liability for the debts of the

corporation on its stockholders or members to a specified extent and upon specified conditions; otherwise, the stockholders or members of a corporation shall not be personally liable for the payment of the corporation's debts except as they may be liable by reason of their own conduct or acts:

- (7) the manner of adoption, alteration and repeal of bylaws; and
- (8) a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders, policyholders or members for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director: (A) For any breach of the director's duty of loyalty to the corporation or its stockholders, policyholders or members; (B) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (C) under the provisions of K.S.A. 17-6424, and amendments thereto; or (D) for any transaction from which the director derived an improper personal benefit. No such provision shall eliminate or limit the liability of a director for any act or omission occurring prior to the date when such provision becomes effective. All references in this subsection to a director shall be deemed also to refer to a member of the governing body of a corporation which is not authorized to issue capital stock.
- (c) It shall not be necessary to set forth in the articles of incorporation any of the powers conferred on corporations by this act.
- Sec. 41. On and after January 1, 2015, K.S.A. 2013 Supp. 17-6003 is hereby amended to read as follows: 17-6003. (a) When any provision of this act requires any instrument to be filed with the secretary of state or in accordance with this section, such instrument shall be executed as follows:
- (1) The articles of incorporation shall be signed by the incorporator or incorporators, and any other instrument to be filed before the election of the initial board of directors, if the initial directors were not named in the articles of incorporation, shall be signed by the incorporator or incorporators. If any incorporator is not available by reason of death, incapacity, refusal or neglect to act, then the instrument may be signed by any person for whom or on whose behalf such incorporator was acting as employee or agent. The instrument shall state that the incorporator is not available and the reason therefor; that such incorporator was acting as employee or agent for or on behalf of such person; and that such person's signature is authorized.
- (2) All other instruments shall be signed: (i) By any authorized officer of the corporation; (ii) if it appears from the instrument that there are no such officers, by a majority of the directors or by such directors as may be designated by the board; (iii) if it appears from the instrument that there are no such officers or directors, by the holders of record, or such of them as may be designated by the holders of record, of a majority of all-

outstanding shares of stock; or (iv) by the holders of record of alloutstanding shares of stock.

- (b) The execution of any document required to be filed with the secretary of state pursuant to chapter 17 of the Kansas Statutes Annotated shall constitute an oath or affirmation, under the penalties of perjury, that the facts stated in the document are true.
- (e) When any provision of this act requires any instrument to be filed with the secretary of state or in accordance with this section, such requirement means that:
- (1) The original signed instrument shall be delivered to the office of the secretary of state, where the instrument shall be recorded in an electronic medium. Any signature on documents authorized to be filed with the secretary of state under the provisions of this act may be a facsimile, a conformed signature or an electronically transmitted signature;
- (2) all taxes and fees authorized by law to be collected by the secretary of state in connection with the filing of the instrument shall be tendered to the secretary of state;
- (3) upon delivery of the instrument, and upon tender of the required taxes and fees, the secretary of state shall certify that the instrument has been filed in the office of secretary of state by endorsing upon the electronically-recorded document the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the instrument and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed instrument in an electronic medium; and
- (4) the secretary of state shall return a certified copy of the recorded document, except this provision shall not apply to annual reports.
- (d) Any instrument filed in accordance with subsection (e) shall beeffective upon its filing date. Except where it has been determinedotherwise by a court of competent jurisdiction, any instrument filed inaccordance with subsections (c)(1) through (c)(4) prior to July 1, 1998. shall be deemed to be effective on the date it was so filed, unless adifferent effective date was specified for the instrument in accordance with this subsection, and the recording of such instrument with a register of deeds shall not be required in order for the instrument to take effect. Any instrument may provide that it is not to become effective until a specified date subsequent to its filing date, but such date shall not be later than 90 days after its filing date. If any instrument filed in accordance withsubsection (e) provides for a future effective date and the transaction is terminated or its terms are amended to change the future effective date prior to the future effective date, the instrument shall be terminated oramended by the filing, prior to the future effective date, of a certificate of termination or a certificate of amendment of the original instrument,

executed and filed in accordance with this section. The certificate shall identify the instrument which has been terminated or amended, and shall state that the instrument has been terminated or the manner in which it has been amended.

- (e)—If another section of this act or any other law of this state specifically prescribes a manner of executing or filing a specified instrument or a time when such instrument shall become effective, which differs from the corresponding provisions of this section, then the provisions of such other section shall govern.
- (f) When any instrument authorized to be filed with the secretary of state under any provision of this act has been so filed and is an inaccurate record of the corporate action therein referred to, or was defectively or erroneously executed, such instrument may be corrected by filing with the secretary of state a certificate of correction of such instrument which shall be executed and filed in accordance with this section. The certificate of correction shall specify the inaccuracy or defect to be corrected and shall set forth the portion of the instrument in corrected form. In lieu of filing a certificate of correction, the instrument may be corrected by filing with the secretary of state a corrected instrument which shall be executed and filed in accordance with this section. The corrected instrument shall bespecifically designated as such in its heading, shall specify the inaccuracy or defect to be corrected, and shall set forth the entire instrument in corrected form. An instrument corrected in accordance with this section shall be effective as of the date the original instrument was filed, except as to those persons who are substantially and adversely affected by the eorrection and as to those persons, the corrected instrument shall beeffective from the filing date.
- (g)(b) When any corporation conveys any lands or interests therein by deed or other appropriate instrument of conveyance, such deed or instrument shall be executed on behalf of the corporation by any authorized officer of the corporation. Such deed or instrument, when acknowledged by such officer to be the act of the corporation, or proved in the same manner provided for other conveyances of lands, may be recorded in the same manner and with the same effect as other deeds. Corporations likewise shall have power to convey by an agent or attorney so authorized under power of attorney or other instrument containing a power to convey real estate or any interest therein, which power of attorney shall be executed by the corporation in the same manner as herein provided for the execution of deeds or other instruments of conveyance.
- (h) If any instrument authorized to be filed with the secretary of state is filed and is inaccurately, defectively or erroneously executed or otherwise defective in any respect, the secretary of state shall not be liable to any person for the preclearance for filing, the acceptance for filing or

the filing and indexing such instrument.

- Sec. 42. On and after January 1, 2015, K.S.A. 17-7673 is hereby amended to read as follows: 17-7673. (a) In order to form a limited liability company, articles of organization shall be filed with the secretary of state and set forth:
 - (1) The name of the limited liability company;
- (2) the address of the registered office and the name and address of the resident agent for service of process required to be maintained by K.S.A. 17-7666 sections 24 and 25, and amendments thereto;
 - (3) any other matters the members determine to include therein; and
- (4) if the limited liability company is organized to exercise the powers of a professional association or corporation, each such profession shall be stated.
- (b) A limited liability company is formed at the time of the filing of the initial articles of organization with the secretary of state or at any later date or time specified in the articles of organization which is not later than 90 days after the date of filing, if, in either ease, there has been substantial compliance with the requirements of this section. A limited liability company formed under this act shall be a separate legal entity, the existence of which as a separate legal entity shall continue until cancellation of the limited liability company's articles of organization.
- (c) An operating agreement may be entered into either before, after or at the time of the filing of the articles of organization and, whether entered into before, after or at the time of such filing, may be made effective as of the formation of the limited liability company or at such other time or date as provided in the operating agreement.
- (d) The articles of organization shall be amended as provided in a certificate of amendment or judicial decree of amendment upon the filing of the certificate of amendment or judicial decree of amendment with the secretary of state or upon the future effective date specified in the certificate of amendment.
- (e) Upon filing the articles of organization of a limited liability company organized to exercise powers of a professional association or professional corporation, the limited liability company shall file with the secretary of state a certificate by the licensing body, as defined in K.S.A. 74-146, and amendments thereto, of the profession involved that each of the members is duly licensed to practice that profession, and that the proposed company name has been approved.
- Sec. 43. On and after January 1, 2015, K.S.A. 17-7674 is hereby amended to read as follows: 17-7674. (a) Articles of organization are amended by filing a certificate of amendment thereto with the secretary of state. The certificate of amendment shall set forth:
 - (1) The name of the limited liability company; and

- (2) the amendment to the articles of organization.
- (b) A manager or, if there is no manager, then any member who becomes aware that any statement in the articles of organization was false when made, or that any matter described has changed making the articles of organization false in any material respect, shall promptly amend the articles of organization.
- (c) Articles of organization may be amended at any time for any other proper purpose.
- (d) Unless otherwise provided in this act or unless a later effective date or time (which shall be a date or time certain within 90 days of the date of filing) is provided for in the certificate of amendment, a certificate of amendment shall be effective at the time of its filing with the secretary of state.
- Sec. 44. On and after January 1, 2015, K.S.A. 17-7677 is hereby amended to read as follows: 17-7677. (a) If a person required to execute a certificate required by this act fails or refuses to do so, any other person who is adversely affected by the failure or refusal may petition the district court to direct the execution of the certificate. If the court finds that the execution of the certificate is proper and that any person so designated has failed or refused to execute the certificate, it shall order the secretary of state to record an appropriate certificate.
- (b)—If a person required to execute an operating agreement or amendment thereof fails or refuses to do so, any other person who is adversely affected by the failure or refusal may petition the district court to direct the execution of the operating agreement or amendment thereof. If the court finds that the operating agreement or amendment thereof should be executed and that any person required to execute the operating agreement or amendment thereof has failed or refused to do so, it shall enter an order granting appropriate relief.
- Sec. 45. On and after January 1, 2015, K.S.A. 2013 Supp. 56a-1102 is hereby amended to read as follows: 56a-1102. (a) Before transacting-business in this state, a foreign limited liability partnership must file a statement of foreign qualification. The statement must contain:
- (1) The name of the foreign limited liability partnership which satisfies the requirements of the state or other jurisdiction under whose laws it is formed and ends with "registered limited liability partnership," "limited liability partnership," "R.L.P.," "L.L.P.," "RLLP" or "LLP";
- (2) the address of the registered office and the name of the resident agent for service of process required to be maintained pursuant to K.S.A. 2013 Supp. 56a-1106, and amendments thereto; and
 - (3) a deferred effective date, if any.
- (b)—The status of a partnership as a foreign limited liability partnership is effective on the later of the filing of the statement of foreign

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qualification or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection (d) of K.S.A. 56a-105, and amendments thereto, or revoked pursuant to K.S.A. 56a-1202, and amendments thereto.

(e)(b) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

On and after January 1, 2015, K.S.A. 17-6002, 17-6003a, 17-8 9 6201, 17-6202, 17-6203, 17-6205, 17-6206, 17-7303, 17-7306, 17-7402, 17-7664, 17-7665, 17-7666, 17-7673, 17-7674, 17-7676, 17-7677, 17-10 7683, 17-76,120, 17-76,121, 17-76,121a, 17-76,123, 17-76,124, 17-11 12 76,125, 17-76,136, 17-76,142, 56-1a102, 56-1a103, 56-1a105, 56-1a108, 56-1a154, 56-1a155, 56-1a501, 56-1a502, 56-1a503, 56-1a505, 56-1a506, 13 56-1a511, 56-1a605, 56a-1002, 56a-1101, 56a-1104 and 56a-1105 and 14 K.S.A. 2013 Supp. 17-6003, 17-6204, 17-7301, 17-7506, 17-7678, 56-15 16 1a104, 56-1a504, 56a-1005, 56a-1102 and 56a-1106 are hereby repealed.

Sec. 47. This act shall take effect and be in force from and after its publication in the statute book.