

CHAPTER 260

CORPORATIONS AND ASSOCIATIONS

SENATE BILL 97-233

BY SENATOR Mutzebaugh;
also REPRESENTATIVES T. Williams, Kaufman, Owen, Schauer, and Young.**AN ACT**

CONCERNING ENTITIES, AND, IN CONNECTION THEREWITH, AMENDING PROVISIONS RELATING TO LIMITED LIABILITY PARTNERSHIPS AND LIMITED LIABILITY COMPANIES AND PROVISIONS AFFECTING TITLE AND DISPOSAL OF PROPERTY BY ENTITIES, AND SPECIFYING METHODS FOR CONVERSION OR MERGER OF DIFFERENT TYPES OF ENTITIES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. The introductory portion to 7-60-145 (1) and 7-60-145 (1) (a) and (3), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-60-145. Name of registered limited liability partnership. (1) The name of each registered limited liability partnership OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, as set forth in its registration statement:

(a) Shall, IN THE CASE OF A LIMITED LIABILITY PARTNERSHIP, contain the words "registered limited liability partnership" or "limited liability partnership" or the abbreviation "L.L.P.", "LLP", "R.L.L.P.", or "RLLP", AND SHALL, IN THE CASE OF A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, COMPLY WITH SECTION 7-62-102;

(3) ~~The name of a registered limited liability partnership shall be treated as the name of a limited partnership for purposes of the application of sections 7-62-103 and 7-71-101 and part 3 of article 35 of title 24, C.R.S.~~

SECTION 2. 7-62-102 (1) (a) and (1) (b), Colorado Revised Statutes, 1986 Repl. Vol., are amended, and the said 7-62-102 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

7-62-102. Name of limited partnership. (1) The name of each limited

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

partnership as set forth in its certificate of limited partnership:

(a) Shall contain the words "limited partnership", "limited", or "company" or the abbreviation "L.P.", "Ltd.", or "Co." OR, IN THE CASE OF A LIMITED LIABILITY LIMITED PARTNERSHIP:

(I) SHALL CONTAIN THE WORDS "LIMITED LIABILITY LIMITED PARTNERSHIP" OR THE ABBREVIATION "L.L.L.P." OR "LLLP"; OR

(II) SHALL CONTAIN THE WORDS "LIMITED PARTNERSHIP", "LIMITED", OR "COMPANY" OR THE ABBREVIATION "L.P.", "LP", "LTD.", OR "CO." AND THE WORDS "REGISTERED LIMITED LIABILITY PARTNERSHIP" OR "LIMITED LIABILITY PARTNERSHIP" OR THE ABBREVIATION "L.L.P.", "LLP", "R.L.L.P.", OR "RLLP";

(b) ~~May not contain the name of a limited partner unless it is also the name of a general partner or the corporate name of a corporate general partner or unless the business of the limited partnership had been carried on under that name before the admission of that limited partner;~~

(3) WHEN THE NAME OF A LIMITED LIABILITY LIMITED PARTNERSHIP IN THE RECORDS OF THE OFFICE OF THE SECRETARY OF STATE IS THE SAME AS THAT SET FORTH IN A CERTIFICATE OF LIMITED PARTNERSHIP, AMENDED CERTIFICATE OF LIMITED PARTNERSHIP, OR REGISTRATION STATEMENT DELIVERED ON OR AFTER MAY 24, 1995, FOR FILING BY THE SECRETARY OF STATE AND, IF UPON FILING OF SUCH CERTIFICATE OR STATEMENT, THE NAME WAS MODIFIED BY THE ADDITION OF ANY WORD OR INITIAL TO INDICATE THAT THE LIMITED PARTNERSHIP WAS A LIMITED LIABILITY LIMITED PARTNERSHIP, THEN THE LIMITED PARTNERSHIP MAY ACQUIRE, CONVEY, AND ENCUMBER TITLE TO REAL AND PERSONAL PROPERTY AND OTHERWISE DEAL IN SUCH NAME WITH OR WITHOUT THE ADDITION OF SUCH WORD OR INITIAL. THE FACT OF THE DELIVERY AND FILING OF SUCH DOCUMENTS AND THE MODIFICATION OF THE NAME OF THE LIMITED PARTNERSHIP BY SUCH ADDITIONAL WORD OR INITIAL MAY BE SET FORTH IN AN AFFIDAVIT EXECUTED BY A GENERAL PARTNER OF THE LIMITED PARTNERSHIP OR A STATEMENT OF AUTHORITY EXECUTED PURSUANT TO SECTION 38-30-171, C.R.S., AND SHALL BE PRIMA FACIE EVIDENCE OF SUCH FACTS AND OF THE AUTHORITY OF THE PERSON EXECUTING THE SAME TO DO SO ON BEHALF OF THE LIMITED PARTNERSHIP. THE AFFIDAVIT MAY BE RECORDED WITH THE COUNTY CLERK AND RECORDER OF THE COUNTY IN WHICH THE REAL PROPERTY WITHIN THIS STATE IS SITUATED OR, IN THE CASE OF OTHER PROPERTY OR DEALINGS OF THE LIMITED PARTNERSHIP, THE CLERK AND RECORDER OF THE COUNTY WHERE THE PRINCIPAL OR REGISTERED OFFICE OF THE LIMITED PARTNERSHIP IS LOCATED.

SECTION 3. 7-62-203 (2), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-203. Cancellation of certificate. (2) The cancellation of the certificate of limited partnership shall not affect the limited liability of the ~~limited~~ partners during the period of winding up and termination of the partnership.

SECTION 4. 7-62-303 (1), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-303. Liability to third parties. (1) ~~(a) Except as provided in subsection (4) of this section,~~ A limited partner is not liable for the obligations of a limited partnership INCURRED WHILE IT IS NOT A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP unless ~~he~~ THE LIMITED PARTNER is also a general partner or, in addition to the exercise of ~~his~~ THE LIMITED PARTNER'S rights and powers as a limited partner, ~~he~~ THE LIMITED PARTNER participates in the control of the business. However, if the limited partner participates in the control of the business ~~he~~ AT THE TIME SUCH LIABILITY IS INCURRED, THE LIMITED PARTNER is liable only to persons who transact business with the limited partnership reasonably believing (notwithstanding the fact that the limited partner is not designated as a general partner in the certificate of limited partnership), based upon the limited partner's conduct, that the limited partner is a general partner AT THE TIME SUCH LIABILITY IS INCURRED.

(b) A LIMITED PARTNER OF A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP IS NOT LIABLE FOR THE OBLIGATIONS OF THE PARTNERSHIP INCURRED WHILE IT IS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP.

SECTION 5. 7-62-303 (4), Colorado Revised Statutes, 1986 Repl. Vol., is repealed as follows:

7-62-303. Liability to third parties. (4) ~~A limited partner who knowingly permits his name to be used in the name of the limited partnership, except under circumstances permitted by section 7-62-102(1)(b), is liable to creditors who extend credit to the limited partnership without actual knowledge that the limited partner is not a general partner.~~

SECTION 6. 7-62-401, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-401. Admission of additional general partners. (1) After the filing of a limited partnership's original certificate of limited partnership, additional general partners may be admitted as provided in writing in the partnership agreement or, if the partnership agreement does not so provide, with the written consent of all partners.

(2) UPON THE WITHDRAWAL OF THE LAST REMAINING GENERAL PARTNER, UNLESS OTHERWISE PROVIDED IN WRITING IN THE PARTNERSHIP AGREEMENT FOR THE ADMISSION OF A GENERAL PARTNER, ONE OR MORE PERSONS WHO CONSENT TO BE GENERAL PARTNERS SHALL BE ADMITTED AS FOLLOWS:

(a) A MAJORITY OF THE LIMITED PARTNERS MAY ADMIT ONE OR MORE GENERAL PARTNERS; AND

(b) IF A MAJORITY OF THE LIMITED PARTNERS FAILS TO ACT WITHIN A REASONABLE TIME, THE DISTRICT COURT FOR THE COUNTY IN WHICH THE REGISTERED AGENT IS LOCATED SHALL, UPON THE APPLICATION OF ANY LIMITED PARTNER, ADMIT ONE OR MORE GENERAL PARTNERS. SUCH COURT MAY APPOINT A CUSTODIAN TO MANAGE THE BUSINESS OF THE LIMITED PARTNERSHIP DURING THE PENDENCY OF THE PROCEEDINGS.

(3) SUBSECTION (2) OF THIS SECTION SHALL NOT APPLY TO A LIMITED PARTNERSHIP FORMED PRIOR TO THE EFFECTIVE DATE OF THIS ACT, IF ON OR BEFORE ONE YEAR

AFTER THE EFFECTIVE DATE OF THIS ACT, ONE OR MORE PARTNERS SIGNS AND DELIVERS TO A GENERAL PARTNER AN ELECTION IN WRITING AGAINST THE APPLICATION OF SUBSECTION (2) OF THIS SECTION. THE GENERAL PARTNER SHALL FILE ANY SUCH ELECTION WITH THE RECORDS REQUIRED TO BE KEPT BY SECTION 7-62-105. THE ABSENCE OF SUCH AN ELECTION IN THE RECORDS SHALL GIVE RISE TO A PRESUMPTION THAT NO SUCH ELECTION HAS BEEN DELIVERED.

SECTION 7. 7-62-602, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-602. Withdrawal of general partner. A general partner may withdraw from a limited partnership at any time by giving written notice to the other partners, but if the withdrawal violates the partnership agreement, the limited partnership may recover from the withdrawing general partner damages for breach of the partnership agreement and offset the damages against the amount otherwise distributable to ~~him~~ THE GENERAL PARTNER. THE WITHDRAWAL OF A GENERAL PARTNER WHO IS ALSO A LIMITED PARTNER SHALL NOT CONSTITUTE THE WITHDRAWAL OF THE PARTNER AS A LIMITED PARTNER OR AFFECT THE PARTNER'S RIGHTS AS A LIMITED PARTNER.

SECTION 8. 7-62-801 (1) (c), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-801. Dissolution - general rules. (1) A limited partnership is dissolved and its affairs shall be wound up upon the happening of the first to occur of the following:

(c) ~~An event of withdrawal of a general partner unless at the time there is at least one other general partner and the written provisions of the partnership agreement permit the business of the limited partnership to be carried on by the remaining general partner and that partner does so, but the limited partnership is not dissolved and is not required to be wound up by reason of any event of withdrawal if, within ninety days after the withdrawal, all partners agree in writing to continue the business of the limited partnership and to the admission of one or more additional general partners if necessary or desired~~ EXCEPT AS OTHERWISE PROVIDED IN THE WRITTEN PROVISIONS OF A PARTNERSHIP AGREEMENT, WRITTEN CONSENT OF A MAJORITY OF THE LIMITED PARTNERS WITHIN NINETY DAYS AFTER AN EVENT OF WITHDRAWAL OF THE LAST REMAINING GENERAL PARTNER; and

SECTION 9. 7-62-901, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-62-901. Law governing foreign limited partnership or foreign limited liability limited partnership. The laws of the jurisdiction under which a foreign limited partnership or foreign limited liability limited partnership is organized govern its organization and internal affairs and the liability of its ~~limited~~ partners, and a foreign limited partnership or foreign limited liability limited partnership may not be denied registration by reason of any difference between those laws and the laws of this state.

SECTION 10. 7-62-907 (3), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-907. Transaction of business without registration. (3) A ~~limited~~ partner of a foreign limited partnership is not liable as a ~~general partner of the foreign limited partnership~~ solely by reason of such partnership's having transacted business in this state without registration.

SECTION 11. 7-80-102 (8), (9), and (11), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended, and the said 7-80-102 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

7-80-102. Definitions. As used in this article, unless the context otherwise requires:

(8) "Manager" means a person elected OR OTHERWISE DESIGNATED by the members of a limited liability company to manage the company pursuant to section 7-80-401. IN THE CASE OF A LIMITED LIABILITY COMPANY IN WHICH MANAGEMENT IS RESERVED TO THE MEMBERS, "MANAGER" MEANS ANY MEMBER.

(9) "Member" means a person with an ownership interest in a limited liability company with the rights and obligations specified under this article. IN THE CASE OF A LIMITED LIABILITY COMPANY WITH ONLY ONE MEMBER, "MEMBERS" AND "ALL OF THE MEMBERS" REFERS TO SUCH ONE MEMBER.

(11) (a) "Operating agreement" means any ~~valid~~ agreement of all of the members OR ALL OF THE MEMBERS AND THE COMPANY as to the affairs of a limited liability company and the conduct of its business. Except as otherwise provided in this article OR AS OTHERWISE REQUIRED BY A WRITTEN OPERATING AGREEMENT, the operating agreement need not be in writing. The operating agreement may contain any provisions required or permitted by section 7-80-108 (1). An operating agreement includes ANY amendments agreed to by all of the members or adopted in such other manner as may be provided in a written operating agreement.

(b) IN THE CASE OF A LIMITED LIABILITY COMPANY WITH ONLY ONE MEMBER, "OPERATING AGREEMENT" INCLUDES:

(I) ANY WRITING, WITHOUT REGARD TO WHETHER SUCH WRITING OTHERWISE CONSTITUTES AN AGREEMENT, AS TO SUCH COMPANY'S AFFAIRS AND THE CONDUCT OF THE LIMITED LIABILITY COMPANY'S BUSINESS SIGNED BY THE SOLE MEMBER;

(II) ANY WRITTEN AGREEMENT BETWEEN THE MEMBER AND THE COMPANY AS TO THE LIMITED LIABILITY COMPANY'S AFFAIRS AND THE CONDUCT OF THE LIMITED LIABILITY COMPANY'S BUSINESS; OR

(III) ANY AGREEMENT, WHETHER OR NOT THE AGREEMENT IS IN WRITING, BETWEEN THE MEMBER AND THE LIMITED LIABILITY COMPANY AS TO A LIMITED LIABILITY COMPANY'S AFFAIRS AND THE CONDUCT OF ITS BUSINESS IF THE LIMITED LIABILITY COMPANY IS MANAGED BY A MANAGER WHO IS A PERSON OTHER THAN THE MEMBER.

(14.5) "PRINCIPAL OFFICE" MEANS THE OFFICE, IN OR OUT OF THIS STATE, DESIGNATED BY A DOMESTIC OR FOREIGN LIMITED LIABILITY COMPANY AS ITS PRINCIPAL OFFICE IN ITS MOST RECENT DOCUMENT ON FILE WITH THE SECRETARY OF STATE PROVIDING SUCH INFORMATION, INCLUDING ANY NOTICE OF CHANGE OF

PRINCIPAL OFFICE ON FILE WITH THE SECRETARY OF STATE.

SECTION 12. The introductory portion to 7-80-108 (3) and 7-80-108 (3) (b), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-80-108. Effect of operating agreement - nonwaivable provisions. (3) Unless contained in a written operating agreement or other writing approved in accordance with a written operating agreement, no ~~provision of an~~ operating agreement may:

(b) ~~Vary the requirement under section 7-80-801 (1) (c) that the limited liability company dissolve upon the death, retirement, resignation, expulsion, bankruptcy, or dissolution of a member or the occurrence of any other event which terminates the continued membership of a member in the limited liability company unless the business of the limited liability company is continued by the consent of all the remaining members within ninety days after the termination;~~

SECTION 13. 7-80-203 (1), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-203. Formation. (1) One or more natural persons eighteen years of age or older may organize a limited liability company by executing and delivering articles of organization to the secretary of state as specified in sections 7-80-204 and 7-80-205. Such person or persons need not be members of the limited liability company after formation has occurred. The execution of the articles of organization constitutes an affirmation by any such person, under penalty of perjury, that the facts stated therein are true AND THAT THE LIMITED LIABILITY COMPANY HAS ONE OR MORE MEMBERS. A person may sign the articles of organization by an attorney-in-fact duly authorized by a written power of attorney.

SECTION 14. 7-80-204, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

7-80-204. Articles of organization. (2) WITH RESPECT TO A LIMITED LIABILITY COMPANY, THE MANAGEMENT OF WHICH IS VESTED BY ITS ARTICLES OF ORGANIZATION IN MANAGERS RATHER THAN RESERVED TO THE MEMBERS, THE NAMES AND ADDRESSES OF THE INITIAL MEMBER OR MEMBERS MAY BE SET FORTH IN THE ARTICLES OF ORGANIZATION.

SECTION 15. 7-80-208, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-208. Notice of existence of limited liability company. The fact that the articles of organization are on file in the office of the secretary of state is notice that the limited liability company is a limited liability company and is notice of all other facts set forth therein which are required OR EXPRESSLY PERMITTED to be set forth in the articles of organization BY SECTION 7-80-204.

SECTION 16. 7-80-306 (2), (3), (4), and (5), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-80-306. Service of process. (2) If a limited liability company fails to appoint

or maintain a registered agent in this state as required by section 7-80-301 or 7-80-907, or if, having been appointed, the agent's authority has been revoked, or if the agent cannot, with reasonable diligence, be found at the registered office, ~~the secretary of state shall be the agent of the limited liability company upon whom any such process, notice, or demand may be served. Service on the secretary of state of any such process, notice, or demand shall be made by:~~ THE LIMITED LIABILITY COMPANY MAY BE SERVED BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE LIMITED LIABILITY COMPANY AT ITS PRINCIPAL OFFICE. SERVICE IS PERFECTED UNDER THIS SUBSECTION (2) AT THE EARLIEST OF:

(a) ~~Personally serving him or any deputy or any employee designated by the secretary of state to accept such process, notice, or demand or by mailing a copy of the process, notice, or demand, by prepaid registered or certified mail, return receipt requested, addressed to the secretary of state; and~~ THE DATE THE LIMITED LIABILITY COMPANY RECEIVES THE PROCESS, NOTICE, OR DEMAND;

(b) ~~Mailing a notice of such service to the secretary of state and a copy of such process, notice, or demand by prepaid registered or certified mail, return receipt requested, addressed to the limited liability company at its office or, if it has no office, to such other address, if any, as may be known to such person.~~ THE DATE SHOWN ON THE RETURN RECEIPT, IF SIGNED ON BEHALF OF THE LIMITED LIABILITY COMPANY; OR

(c) FIVE DAYS AFTER MAILING.

(3) ~~The service on the limited liability company by service upon the secretary of state shall be complete upon the later of:~~ THIS SECTION DOES NOT PRESCRIBE THE ONLY MEANS, OR NECESSARILY THE REQUIRED MEANS, OF SERVING A LIMITED LIABILITY COMPANY.

(a) ~~Personal service upon the secretary of state or any deputy or any employee designated by the secretary of state to accept such process, notice, or demand or receipt of the return receipt requested of the mailing to the secretary of state; or~~

(b) ~~Receipt of the return receipt requested of the mailing to the limited liability company, whether or not the receipt is signed.~~

(4) ~~The secretary of state shall keep a record of all processes, notices, and demands served upon him under this section and shall record therein the time of such service and his action with reference thereto.~~

(5) ~~Nothing contained in this section shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon the limited liability company in any other manner now or hereafter permitted by law or applicable rules of procedure.~~

SECTION 17. The introductory portion to 7-80-411 (1), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-411. Records. (1) Each limited liability company shall keep at the registered PRINCIPAL office, the following:

SECTION 18. 7-80-601, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-601. Interim distributions. Except as provided in this part 6, a member is entitled to receive distributions from a limited liability company before ~~his~~ THE MEMBER'S resignation from the limited liability company and before the dissolution and winding up thereof to the extent and at the times or upon the happening of the events specified in the operating agreement OR AS OTHERWISE AGREED BY ALL OF THE MEMBERS.

SECTION 19. 7-80-703, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-703. Rights of creditor against a member. On application to a court of competent jurisdiction by any judgment creditor of a member, the court may charge the membership interest of the member with payment of the unsatisfied amount of the judgment with interest THEREON; AND MAY THEN OR LATER APPOINT A RECEIVER OF THE MEMBER'S SHARE OF THE PROFITS AND OF ANY OTHER MONEY DUE OR TO BECOME DUE TO THE MEMBER IN RESPECT OF THE LIMITED LIABILITY COMPANY AND MAKE ALL OTHER ORDERS, DIRECTIONS, ACCOUNTS, AND INQUIRIES WHICH THE DEBTOR MEMBER MIGHT HAVE MADE, OR WHICH THE CIRCUMSTANCES OF THE CASE MAY REQUIRE. To the extent so charged, EXCEPT AS PROVIDED IN THIS SECTION the judgment creditor has only the rights of an assignee of the membership interest. THE MEMBERSHIP INTEREST CHARGED MAY BE REDEEMED AT ANY TIME BEFORE FORECLOSURE. IF THE SALE IS DIRECTED BY THE COURT, THE MEMBERSHIP MAY BE PURCHASED WITHOUT CAUSING A DISSOLUTION WITH SEPARATE PROPERTY BY ANY ONE OR MORE OF THE MEMBERS. WITH THE CONSENT OF ALL MEMBERS WHOSE MEMBERSHIP INTERESTS ARE NOT BEING CHARGED OR SOLD, THE MEMBERSHIP MAY BE PURCHASED WITHOUT CAUSING A DISSOLUTION WITH PROPERTY OF THE LIMITED LIABILITY COMPANY. This article shall not deprive any member of the benefit of any exemption laws applicable to ~~his~~ THE MEMBER'S membership interest.

SECTION 20. 7-80-801 (1) (c) and (1) (d), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-80-801. Dissolution. (1) A limited liability company organized under this article shall be dissolved upon the occurrence of any of the following events:

(c) ~~Upon the death, retirement, resignation, expulsion, bankruptcy, or dissolution of a member or the occurrence of any other event which terminates the continued membership of a member in the limited liability company, unless the business of the limited liability company is continued by the consent of all the remaining members within ninety days after the termination, at which time the remaining members may agree to the appointment of one or more additional members, managers, or both; or~~

(d) At the time or upon the occurrence of events specified in writing in ~~the articles of organization or~~ an operating agreement.

SECTION 21. Title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 90
Colorado Corporations and Associations Act

PART 1
DEFINITIONS AND APPLICATION

7-90-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO CORPORATIONS AND ASSOCIATIONS ACT".

7-90-102. Definitions. AS USED IN THIS ARTICLE:

(1) "ARTICLES OF ASSOCIATION" MEANS, WITH RESPECT TO A DOMESTIC LIMITED PARTNERSHIP ASSOCIATION, THE ARTICLES OF ASSOCIATION AS DEFINED IN THE "COLORADO LIMITED PARTNERSHIP ASSOCIATION ACT", ARTICLE 63 OF THIS TITLE. WITH RESPECT TO A FOREIGN LIMITED PARTNERSHIP ASSOCIATION OR PARTNERSHIP ASSOCIATION, "ARTICLES OF ASSOCIATION" MEANS THE CORRESPONDING DOCUMENT FILED WITH THE JURISDICTION IN WHICH THE LIMITED PARTNERSHIP ASSOCIATION OR PARTNERSHIP ASSOCIATION IS FORMED.

(2) "ARTICLES OF INCORPORATION" MEANS, WITH RESPECT TO A DOMESTIC CORPORATION, THE ARTICLES OF INCORPORATION AS DEFINED IN THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE. WITH RESPECT TO A DOMESTIC NONPROFIT CORPORATION, "ARTICLES OF INCORPORATION" MEANS THE ARTICLES OF INCORPORATION AS DEFINED IN THE "COLORADO NONPROFIT CORPORATION ACT", ARTICLES 20 TO 29 OF THIS TITLE. WITH RESPECT TO A FOREIGN CORPORATION OR FOREIGN NONPROFIT CORPORATION, "ARTICLES OF INCORPORATION" MEANS THE CORRESPONDING DOCUMENT FILED WITH THE JURISDICTION IN WHICH THE CORPORATION OR NONPROFIT CORPORATION IS ORGANIZED.

(3) "ARTICLES OF ORGANIZATION" MEANS, WITH RESPECT TO A DOMESTIC LIMITED LIABILITY COMPANY, THE ARTICLES OF ORGANIZATION AS DEFINED IN THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF THIS TITLE. WITH RESPECT TO A FOREIGN LIMITED LIABILITY COMPANY, "ARTICLES OF ORGANIZATION" MEANS THE ARTICLES OF ORGANIZATION, CERTIFICATE OF FORMATION OR SIMILAR DOCUMENT FILED WITH THE STATE FILING OFFICER OF A JURISDICTION IN WHICH A FOREIGN LIMITED LIABILITY COMPANY IS FORMED.

(4) "CONSTITUENT DOCUMENT" MEANS A CONSTITUENT FILED DOCUMENT OR A CONSTITUENT OPERATING DOCUMENT.

(5) "CONSTITUENT ENTITY" MEANS, WITH RESPECT TO A MERGER, EACH MERGING ENTITY AND THE SURVIVING ENTITY, WITH RESPECT TO A CONVERSION, THE CONVERTING ENTITY AND THE RESULTANT ENTITY, AND, WITH RESPECT TO AN EXCHANGE, EACH ENTITY WHOSE OWNER'S INTERESTS WILL BE ACQUIRED OR EACH ENTITY ACQUIRING THOSE INTERESTS.

(6) "CONSTITUENT FILED DOCUMENT" MEANS THE ARTICLES OF INCORPORATION, THE ARTICLES OF ORGANIZATION, THE CERTIFICATE OF LIMITED PARTNERSHIP, OR THE ARTICLES OF ASSOCIATION.

(7) "CONSTITUENT OPERATING DOCUMENT" MEANS THE ARTICLES OF

INCORPORATION AND BYLAWS OF A CORPORATION, A NONPROFIT CORPORATION, OR A COOPERATIVE, OR THE OPERATING AGREEMENT, PARTNERSHIP AGREEMENT, OR BYLAWS OF A LIMITED PARTNERSHIP ASSOCIATION.

(8) "CONVERTING ENTITY" MEANS AN ENTITY THAT CONVERTS INTO ANOTHER ENTITY PURSUANT TO SECTION 7-90-201.

(9) "COOPERATIVE" MEANS A DOMESTIC COOPERATIVE OR A FOREIGN COOPERATIVE.

(10) "CORPORATION" MEANS A DOMESTIC CORPORATION OR A FOREIGN CORPORATION.

(11) "DOMESTIC COOPERATIVE" MEANS ANY ENTITY ORGANIZED UNDER THE "COLORADO COOPERATIVE ACT", ARTICLE 56 OF THIS TITLE, OR ANY OTHER ACT OF THE STATE OF COLORADO, THAT HAS ELECTED TO BE SUBJECT TO THE "COLORADO COOPERATIVE ACT".

(12) "DOMESTIC CORPORATION" MEANS A CORPORATION INCORPORATED UNDER OR SUBJECT TO THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE.

(13) "DOMESTIC ENTITY" MEANS A DOMESTIC CORPORATION, A DOMESTIC GENERAL PARTNERSHIP, A COOPERATIVE, A DOMESTIC LIMITED LIABILITY COMPANY, A DOMESTIC LIMITED PARTNERSHIP, A DOMESTIC LIMITED PARTNERSHIP ASSOCIATION, A DOMESTIC NONPROFIT ASSOCIATION, OR A DOMESTIC NONPROFIT CORPORATION.

(14) "DOMESTIC GENERAL PARTNERSHIP" MEANS A PARTNERSHIP AS DEFINED IN THE "UNIFORM PARTNERSHIP LAW", ARTICLE 60 OF THIS TITLE, OR A SUCCESSOR STATUTE, THE PARTNERSHIP AGREEMENT OF WHICH IS GOVERNED BY THE LAWS OF THIS JURISDICTION. THE TERM INCLUDES A REGISTERED LIMITED LIABILITY PARTNERSHIP AS DEFINED IN THE "UNIFORM PARTNERSHIP LAW".

(15) "DOMESTIC LIMITED LIABILITY COMPANY" MEANS A LIMITED LIABILITY COMPANY ORGANIZED AND EXISTING UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF THIS TITLE.

(16) "DOMESTIC LIMITED PARTNERSHIP" MEANS A LIMITED PARTNERSHIP FORMED BY TWO OR MORE PERSONS UNDER THE LAWS OF THIS STATE AND HAVING ONE OR MORE GENERAL PARTNERS AND ONE OR MORE LIMITED PARTNERS. THE TERM INCLUDES A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP AS DEFINED IN THE "COLORADO UNIFORM LIMITED PARTNERSHIP LAW OF 1931", THE "COLORADO UNIFORM LIMITED PARTNERSHIP ACT OF 1981", ARTICLE 62 OF THIS TITLE, AND ANY SUCCESSOR LAW.

(17) "DOMESTIC LIMITED PARTNERSHIP ASSOCIATION" MEANS A LIMITED PARTNERSHIP FORMED UNDER THE "COLORADO LIMITED PARTNERSHIP ASSOCIATION ACT", ARTICLE 63 OF THIS TITLE.

(18) "DOMESTIC NONPROFIT ASSOCIATION" MEANS A NONPROFIT ASSOCIATION AS DEFINED IN THE "COLORADO UNINCORPORATED NONPROFIT ASSOCIATION ACT",

ARTICLE 30 OF THIS TITLE.

(19) "DOMESTIC NONPROFIT CORPORATION" MEANS A CORPORATION ORGANIZED OR EXISTING UNDER THE "COLORADO NONPROFIT CORPORATION ACT", ARTICLES 20 TO 29 OF THIS TITLE.

(20) "ENTITY" MEANS A DOMESTIC ENTITY AND A FOREIGN ENTITY.

(21) "FOREIGN COOPERATIVE" MEANS AN ENTITY ORGANIZED UNDER THE LAWS OF ANY OTHER JURISDICTION THAT HAS ELECTED TO BE GOVERNED BY THE "COLORADO COOPERATIVE ACT", ARTICLE 56 OF THIS TITLE, OR WOULD BE ELIGIBLE TO ELECT TO BE GOVERNED BY THE LAWS OF THIS STATE.

(22) "FOREIGN CORPORATION" MEANS A CORPORATION FOR PROFIT ORGANIZED UNDER LAWS OTHER THAN THE LAWS OF THIS STATE.

(23) "FOREIGN ENTITY" MEANS A FOREIGN CORPORATION, A FOREIGN COOPERATIVE, A FOREIGN GENERAL PARTNERSHIP, A FOREIGN LIMITED LIABILITY COMPANY, A FOREIGN LIMITED PARTNERSHIP, A FOREIGN LIMITED PARTNERSHIP ASSOCIATION, A FOREIGN NONPROFIT ASSOCIATION, OR A FOREIGN NONPROFIT CORPORATION.

(24) "FOREIGN LIMITED LIABILITY COMPANY" MEANS A LIMITED LIABILITY COMPANY FORMED UNDER THE LAWS OF ANY JURISDICTION OTHER THAN THIS JURISDICTION.

(25) "FOREIGN LIMITED PARTNERSHIP" MEANS A PARTNERSHIP FORMED UNDER THE LAWS OF ANY JURISDICTION OTHER THAN THIS JURISDICTION AND HAVING AS PARTNERS ONE OR MORE GENERAL PARTNERS AND ONE OR MORE LIMITED PARTNERS. THE TERM INCLUDES A FOREIGN LIMITED PARTNERSHIP THAT IS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP OR SIMILAR ENTITY WITH ONE OR MORE LIMITED PARTNERS AND ONE OR MORE GENERAL PARTNERS.

(26) "FOREIGN LIMITED PARTNERSHIP ASSOCIATION" MEANS A LIMITED PARTNERSHIP ASSOCIATION FORMED UNDER THE LAWS OF ANY JURISDICTION OTHER THAN THIS JURISDICTION.

(27) "FOREIGN GENERAL PARTNERSHIP" MEANS A GENERAL PARTNERSHIP, INCLUDING A FOREIGN LIMITED LIABILITY PARTNERSHIP, AS DEFINED IN THE "UNIFORM PARTNERSHIP LAW", ARTICLE 60 OF THIS TITLE, THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)", ARTICLE 64 OF THIS TITLE, OR A SUCCESSOR STATUTE, THE PARTNERSHIP AGREEMENT OF WHICH IS GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THIS JURISDICTION. THE TERM INCLUDES A FOREIGN GENERAL PARTNERSHIP THAT IS A LIMITED LIABILITY PARTNERSHIP OR SIMILAR ENTITY HAVING AT LEAST TWO GENERAL PARTNERS AND NO LIMITED PARTNERS.

(28) "FOREIGN NONPROFIT ASSOCIATION" MEANS AN UNINCORPORATED NONPROFIT ASSOCIATION OR NONPROFIT ASSOCIATION ORGANIZED AND EXISTING UNDER THE LAWS OF A JURISDICTION OTHER THAN THIS JURISDICTION.

(29) "FOREIGN NONPROFIT CORPORATION" MEANS A NONPROFIT CORPORATION OR

A CORPORATION NOT FOR PROFIT ORGANIZED OR EXISTING UNDER THE LAWS OF A JURISDICTION OTHER THAN THIS JURISDICTION.

(30) "GENERAL PARTNER" MEANS A GENERAL PARTNER IN A PARTNERSHIP.

(31) "GENERAL PARTNERSHIP" MEANS A DOMESTIC GENERAL PARTNERSHIP OR A FOREIGN GENERAL PARTNERSHIP.

(32) "LIMITED LIABILITY COMPANY" MEANS A DOMESTIC LIMITED LIABILITY COMPANY OR A FOREIGN LIMITED LIABILITY COMPANY.

(33) "LIMITED PARTNER" MEANS A LIMITED PARTNER IN A LIMITED PARTNERSHIP.

(34) "LIMITED PARTNERSHIP" MEANS A DOMESTIC LIMITED PARTNERSHIP OR A FOREIGN LIMITED PARTNERSHIP.

(35) "LIMITED PARTNERSHIP ASSOCIATION" MEANS A DOMESTIC LIMITED PARTNERSHIP ASSOCIATION OR A FOREIGN LIMITED PARTNERSHIP ASSOCIATION.

(36) "MEMBER" MEANS:

(a) A MEMBER OF A COOPERATIVE;

(b) A MEMBER OF A NONPROFIT ASSOCIATION;

(c) A MEMBER OF A LIMITED LIABILITY COMPANY;

(d) IN THE CASE OF A NONPROFIT CORPORATION WITH ONE OR MORE CLASSES OF MEMBERS, A MEMBER OF A NONPROFIT CORPORATION; OR

(e) IN THE CASE OF A NONPROFIT CORPORATION WITH NO MEMBERS, A DIRECTOR OF A NONPROFIT CORPORATION.

(37) "MERGING ENTITY" MEANS ANY ENTITY THAT MERGES INTO A SURVIVING ENTITY PURSUANT TO SECTION 7-90-203.

(38) "NONPROFIT ASSOCIATION" MEANS A DOMESTIC NONPROFIT ASSOCIATION OR A FOREIGN NONPROFIT ASSOCIATION.

(39) "NONPROFIT CORPORATION" MEANS A DOMESTIC NONPROFIT CORPORATION OR A FOREIGN NONPROFIT CORPORATION.

(40) "NONPROFIT ENTITY" MEANS A NONPROFIT CORPORATION OR A NONPROFIT ASSOCIATION.

(41) "OPERATING AGREEMENT" MEANS THE OPERATING AGREEMENT IN A DOMESTIC LIMITED LIABILITY COMPANY AND THE OPERATING AGREEMENT, LIMITED LIABILITY COMPANY AGREEMENT, REGULATIONS, OR SIMILAR AGREEMENT IN A FOREIGN LIMITED LIABILITY COMPANY.

(42) "ORGANIC STATUTE" MEANS, WITH RESPECT TO ANY ENTITY, THE STATUTE

PURSUANT TO WHICH THE ENTITY IS FORMED BUT IS SUBJECT TO ALL OTHER APPLICABLE STATUTES OF THIS STATE AND OTHER STATUTES OF THE JURISDICTION IN WHICH THE ENTITY IS FORMED GOVERNING THE OPERATION OF THE ENTITY.

(43) "OWNER" MEANS A SHAREHOLDER OF A CORPORATION, A MEMBER, OR A PARTNER.

(44) "OWNER'S INTEREST" MEANS THE SHARES OF STOCK IN A CORPORATION, A MEMBERSHIP IN A NONPROFIT CORPORATION, A MEMBERSHIP INTEREST IN A LIMITED LIABILITY COMPANY, THE INTEREST OF A MEMBER IN A COOPERATIVE, A PARTNERSHIP INTEREST IN A LIMITED PARTNERSHIP, A PARTNERSHIP INTEREST IN A PARTNERSHIP, AND THE INTEREST OF A MEMBER IN A LIMITED PARTNERSHIP ASSOCIATION.

(45) "PARTNER" MEANS A GENERAL PARTNER AND A LIMITED PARTNER.

(46) "PARTNERSHIP" MEANS A DOMESTIC PARTNERSHIP, A FOREIGN PARTNERSHIP, A DOMESTIC LIMITED PARTNERSHIP, OR A FOREIGN LIMITED PARTNERSHIP.

(47) "PARTNERSHIP AGREEMENT" MEANS THE PARTNERSHIP AGREEMENT OF A PARTNERSHIP.

(48) "RESULTANT ENTITY" MEANS AN ENTITY THAT RESULTS FROM THE CONVERSION OF ANOTHER ENTITY PURSUANT TO SECTION 7-90-201.

(49) "SURVIVING ENTITY" MEANS THE ENTITY INTO WHICH A MERGING ENTITY OR ENTITIES HAVE MERGED PURSUANT TO SECTION 7-90-203.

7-90-103. Reservation of power to amend or repeal. THE GENERAL ASSEMBLY HAS THE POWER TO AMEND OR REPEAL ALL OR PART OF THIS ARTICLE OF THIS TITLE AT ANY TIME, AND ALL ENTITIES SUBJECT TO SAID ARTICLE SHALL BE GOVERNED BY THE AMENDMENT OR REPEAL.

PART 2 MERGER AND CONVERSION OF ENTITIES

7-90-201. Conversion of an entity into another entity. (1) A DOMESTIC ENTITY MAY BE CONVERTED INTO ANY OTHER DOMESTIC ENTITY PURSUANT TO THIS SECTION.

(2) A DOMESTIC ENTITY MAY BE CONVERTED INTO ANY FOREIGN ENTITY IF:

(a) THE CONVERSION IS PERMITTED BY THE ORGANIC STATUTE GOVERNING THE FOREIGN ENTITY; OR

(b) IN THE CASE OF A FOREIGN ENTITY OTHER THAN A FOREIGN CORPORATION OR FOREIGN NONPROFIT CORPORATION, CONVERSION IS PERMITTED BY THE CONSTITUENT DOCUMENTS OF THE FOREIGN ENTITY WHICH ARE NOT INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE FOREIGN ENTITY.

(3) A FOREIGN ENTITY MAY BE CONVERTED INTO A DOMESTIC ENTITY IF:

(a) THE CONVERSION IS PERMITTED BY THE ORGANIC STATUTE GOVERNING THE

FOREIGN ENTITY; OR

(b) IN THE CASE OF A FOREIGN ENTITY OTHER THAN A FOREIGN CORPORATION OR FOREIGN NONPROFIT CORPORATION, CONVERSION IS PERMITTED BY THE CONSTITUENT DOCUMENTS OF THE FOREIGN ENTITY WHICH ARE NOT INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE FOREIGN ENTITY.

(4) THE TERMS AND CONDITIONS OF A CONVERSION UNDER THIS SECTION SHALL BE APPROVED BY EACH OWNER OF A CONSTITUENT ENTITY WHO WILL BE LIABLE, SOLELY BY REASON OF BEING AN OWNER, FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE RESULTING ENTITY AND SHALL BE APPROVED:

(a) BY THE NUMBER OF OWNERS FOR WHICH THE CONSTITUENT DOCUMENTS OF THE CONVERTING ENTITY SPECIFY, IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS SPECIFYING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE CONVERSION ARE NOT INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE CONVERTING ENTITY WITH ANY OTHER ENTITY;

(b) IF THE CONSTITUENT DOCUMENTS DO NOT SPECIFY THE NUMBER OF OWNERS FOR THE APPROVAL OF THE CONVERSION OR IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS SPECIFYING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE CONVERSION ARE INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE CONVERTING ENTITY WITH ANY OTHER ENTITY, BY THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE CONVERSION OR MERGER UNDER THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE CONVERTING ENTITY WITH ANY OTHER ENTITY;
OR

(c) IF THE CONSTITUENT DOCUMENTS DO NOT SPECIFY THE NUMBER OF OWNERS THE CONSENT OF WHOM IS NECESSARY FOR THE APPROVAL OF THE CONVERSION OR IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS SPECIFYING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE CONVERSION ARE INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE CONVERTING ENTITY WITH ANY OTHER ENTITY, AND THE ORGANIC STATUTE GOVERNING THE CONVERTING ENTITY DOES NOT SPECIFY THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF A CONVERSION OR MERGER, BY ALL THE OWNERS OF THE CONVERTING ENTITY.

(5) AFTER THE TERMS AND CONDITIONS OF THE CONVERSION ARE APPROVED IN ACCORDANCE WITH THIS SECTION, IF THE RESULTING ENTITY IS AN ENTITY FOR WHICH CONSTITUENT FILED DOCUMENTS ARE FILED IN THIS STATE, THE CONVERTING ENTITY SHALL CAUSE THE APPROPRIATE CONSTITUENT DOCUMENT TO BE FILED WITH THE SECRETARY OF STATE, AND THE CONVERTING ENTITY SHALL COMPLY WITH THE REQUIREMENTS OF THE ORGANIC STATUTE GOVERNING THE RESULTING ENTITY, INCLUDING THE FILING OF ANY CONSTITUENT FILED DOCUMENTS REQUIRED BY THE ORGANIC STATUTE AND, IF THE CONVERTING ENTITY IS AN ENTITY FOR WHICH CONSTITUENT FILED DOCUMENTS HAVE BEEN FILED WITH THE SECRETARY OF STATE, THE CONVERTING ENTITY SHALL CAUSE A CERTIFICATE OF CONVERSION TO BE FILED WITH THE SECRETARY OF STATE. THE CERTIFICATE OF CONVERSION SHALL INCLUDE:

(a) THE NAME, ADDRESS, STATE OF ORGANIZATION, AND FORM OF ENTITY OF THE CONVERTING ENTITY;

(b) THE NAME, ADDRESS, STATE OF ORGANIZATION, AND FORM OF ENTITY OF THE RESULTING ENTITY;

(c) A STATEMENT OF THE NUMBER OF VOTES CAST BY THE OWNERS FOR AND AGAINST THE CONVERSION AND, IF THE VOTE IS LESS THAN UNANIMOUS, THE NUMBER OR PERCENTAGE REQUIRED TO APPROVE THE CONVERSION UNDER THIS SECTION.

(6) THE CONVERSION SHALL BECOME EFFECTIVE AS SPECIFIED BY THE ORGANIC STATUTE GOVERNING THE RESULTING ENTITY. IF THE ORGANIC STATUTE GOVERNING THE RESULTING ENTITY DOES NOT SO SPECIFY, THE CONVERSION TO A DOMESTIC ENTITY TAKES EFFECT ON THE LATER OF THE EFFECTIVE DATE SET FORTH IN THE FILED CONSTITUENT DOCUMENT OF THE RESULTING ENTITY, IF ANY, AND, THE TIME OF FILING OF THE FILED CONSTITUENT DOCUMENT OF THE RESULTING ENTITY.

(7) NOTHING IN THIS STATUTE SHALL LIMIT THE COMMON LAW POWERS OF THE ATTORNEY GENERAL CONCERNING THE CONVERSION OF A NONPROFIT CORPORATION.

7-90-202. Effect of conversion; entity unchanged. (1) AFTER A CONVERSION IS EFFECTIVE UNDER THIS SECTION:

(a) FOR ALL PURPOSES, ALL OF THE RIGHTS, PRIVILEGES, AND POWERS OF THE CONVERTING ENTITY, AND ALL PROPERTY, REAL, PERSONAL, AND MIXED, AND ALL DEBTS DUE TO THE CONVERTING ENTITY, AS WELL AS ALL OTHER THINGS AND CAUSES OF ACTION OF THE CONVERTING ENTITY, SHALL BE VESTED IN THE RESULTING ENTITY AND SHALL THEREAFTER BE THE PROPERTY OF THE RESULTING ENTITY AS THEY WERE OF THE CONVERTING ENTITY. THE TITLE TO ANY REAL PROPERTY VESTED BY DEED OR OTHERWISE IN THE CONVERTING ENTITY SHALL NOT REVERT OR BE IN ANY WAY IMPAIRED BY REASON OF THE CONVERSION; EXCEPT THAT ALL RIGHTS OF CREDITORS AND ALL LIENS UPON ANY PROPERTY OF THE CONVERTING ENTITY SHALL BE PRESERVED UNIMPAIRED. ALL DEBTS, LIABILITIES, AND DUTIES OF THE CONVERTING ENTITY SHALL ATTACH TO THE RESULTING ENTITY AND MAY BE ENFORCED AGAINST THE RESULTING ENTITY TO THE SAME EXTENT AS IF SAID DEBTS, LIABILITIES, AND DUTIES HAD BEEN INCURRED OR CONTRACTED BY THE RESULTING ENTITY.

(b) ANY OWNER WHO WAS LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE CONVERTING ENTITY BY VIRTUE OF BEING AN OWNER OF THE CONVERTING ENTITY, BUT WHO WILL OTHERWISE NOT BE LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE RESULTING ENTITY, REMAINS LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE CONVERTING ENTITY INCURRED BEFORE CONVERSION TO THE SAME EXTENT AS IF THE CONVERSION HAD NOT TAKEN PLACE.

(c) UNLESS OTHERWISE AGREED, OR AS REQUIRED UNDER THE ORGANIC STATUTE GOVERNING THE CONVERTING ENTITY, THE CONVERTING ENTITY SHALL NOT BE REQUIRED TO WIND UP ITS AFFAIRS OR PAY ITS LIABILITIES AND DISTRIBUTE ITS ASSETS, AND THE CONVERSION SHALL NOT BE DEEMED TO CONSTITUTE A DISSOLUTION OF THE CONVERTING ENTITY.

7-90-203. Merger of entities. (1) PURSUANT TO A PLAN OF MERGER APPROVED

PURSUANT TO SUBSECTION (4) OF THIS SECTION, A DOMESTIC ENTITY MAY BE MERGED WITH ONE OR MORE OTHER DOMESTIC ENTITIES.

(2) PURSUANT TO A PLAN OF MERGER APPROVED PURSUANT TO SUBSECTION (4) OF THIS SECTION, ONE OR MORE DOMESTIC ENTITIES MAY MERGE WITH ONE OR MORE FOREIGN ENTITIES IF, IN THE CASE OF EACH FOREIGN ENTITY, THE CONVERSION IS PERMITTED BY THE ORGANIC STATUTE GOVERNING THE FOREIGN ENTITY, OR, IN THE CASE OF A FOREIGN ENTITY OTHER THAN A FOREIGN CORPORATION OR FOREIGN NONPROFIT CORPORATION, CONVERSION IS PERMITTED BY THE CONSTITUENT DOCUMENTS OF THE FOREIGN ENTITY WHICH ARE NOT INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE FOREIGN ENTITY.

(3) THE PLAN OF MERGER SHALL SET FORTH:

(a) THE NAME, STATE OF ORGANIZATION, AND FORM OF ORGANIZATION OF EACH OF THE MERGING ENTITIES;

(b) THE NAME, STATE OF ORGANIZATION, AND FORM OF ORGANIZATION OF THE SURVIVING ENTITY INTO WHICH THE MERGING ENTITIES ARE TO MERGE;

(c) THE TERMS AND CONDITIONS OF THE MERGER;

(d) THE MANNER AND BASIS OF CONVERTING THE OWNER'S INTERESTS OF EACH MERGING ENTITY INTO OWNER'S INTERESTS OR DEBTS, OBLIGATIONS, OR LIABILITIES OF THE SURVIVING ENTITY, OR INTO MONEY OR OTHER PROPERTY IN WHOLE OR IN PART; AND

(e) THE STREET ADDRESS OF THE SURVIVING ENTITY'S PRINCIPAL OFFICE.

(4) (a) THE PLAN OF MERGER SHALL BE APPROVED BY EACH OWNER OF A CONSTITUENT ENTITY WHO WILL BE LIABLE, SOLELY BY REASON OF BEING AN OWNER, FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE SURVIVING ENTITY AND, IN THE CASE OF EACH MERGING ENTITY, SHALL BE APPROVED:

(I) BY THE NUMBER OF OWNERS SPECIFIED BY THE CONSTITUENT DOCUMENTS OF THE MERGING ENTITY, IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS SPECIFYING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER ARE NOT INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR APPROVAL OF THE MERGER OR CONVERSION OF THE MERGING ENTITY WITH ANY OTHER ENTITY;

(II) IF THE CONSTITUENT DOCUMENTS DO NOT SPECIFY THE NUMBER OF OWNERS FOR THE APPROVAL OF THE MERGER OR IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS SPECIFYING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER ARE INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE MERGING ENTITY WITH ANY OTHER ENTITY, BY THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE CONVERSION OR MERGER UNDER THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE MERGING ENTITY WITH ANY OTHER ENTITY; OR

(III) IF THE CONSTITUENT DOCUMENTS DO NOT SPECIFY THE NUMBER OF OWNERS THE CONSENT OF WHOM IS NECESSARY FOR THE APPROVAL OF THE MERGER OR IF THE PROVISIONS OF THE CONSTITUENT DOCUMENTS PROVIDING FOR THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER ARE INCONSISTENT WITH THE ORGANIC STATUTE GOVERNING THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF THE MERGER OR CONVERSION OF THE MERGING ENTITY WITH ANY OTHER ENTITY, AND THE ORGANIC STATUTE GOVERNING THE MERGING ENTITY DOES NOT SPECIFY THE NUMBER OF OWNERS NECESSARY FOR THE APPROVAL OF A CONVERSION OR MERGER, BY ALL THE OWNERS OF THE MERGING ENTITY.

(b) NOTWITHSTANDING SUBPARAGRAPHS (I) TO (III) OF PARAGRAPH (a) OF THIS SUBSECTION (4), APPROVAL OF THE OWNERS OF THE SURVIVING ENTITY IS NOT REQUIRED IF:

(I) THE CONSTITUENT DOCUMENTS OF THE SURVIVING ENTITY WILL NOT DIFFER FROM ITS CONSTITUENT DOCUMENTS BEFORE THE MERGER;

(II) EACH OWNER OF THE SURVIVING ENTITY IMMEDIATELY BEFORE THE MERGER WILL HOLD THE SAME INTEREST, WITH IDENTICAL DESIGNATIONS, PREFERENCES, LIMITATIONS, AND RELATIVE RIGHTS, IMMEDIATELY AFTER THE MERGER;

(III) NONE OF THE CONSTITUENT ENTITIES IS A NONPROFIT CORPORATION; AND

(IV) THE OWNER OF THE SURVIVING ENTITY IMMEDIATELY BEFORE THE MERGER, BY VIRTUE OF THEIR OWNER'S INTERESTS IN THE SURVIVING ENTITY IMMEDIATELY BEFORE THE MERGER:

(A) OWNS AT LEAST EIGHTY PERCENT OF THE VALUE OF OWNER'S INTERESTS OF ALL OWNERS OF THE SURVIVING ENTITY IMMEDIATELY AFTER THE MERGER; AND

(B) IS ENTITLED TO A VOTE OR RIGHT TO CONSENT EQUAL TO AT LEAST EIGHTY PERCENT OF THE RIGHT TO VOTE OR CONSENT OF ALL OWNERS OF THE SURVIVING ENTITY IMMEDIATELY AFTER THE MERGER.

(5) AFTER THE PLAN OF MERGER IS APPROVED IN ACCORDANCE WITH THIS SECTION, THE SURVIVING ENTITY SHALL DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF MERGER THAT SHALL CONTAIN:

(a) THE NAME, STATE OF ORGANIZATION, AND FORM OF ENTITY OF EACH MERGING ENTITY;

(b) THE NAME, STATE OF ORGANIZATION, AND FORM OF ENTITY OF THE SURVIVING ENTITY; AND

(c) THE STREET ADDRESS OF THE SURVIVING ENTITY'S PRINCIPAL OFFICE AND OF AN OFFICE IN THIS STATE, IF ANY.

(6) THE MERGER SHALL BECOME EFFECTIVE AS PROVIDED BY THE ORGANIC STATUTE GOVERNING THE SURVIVING ENTITY. IF THE ORGANIC STATUTE GOVERNING THE SURVIVING ENTITY DOES NOT SO PROVIDE, THE MERGER TAKES EFFECT ON THE LATER OF THE EFFECTIVE DATE SET FORTH IN THE STATEMENT OF MERGER, IF ANY,

AND THE TIME OF FILING OF THE FILED CONSTITUENT DOCUMENT OF THE RESULTING ENTITY.

(7) NOTHING IN THIS STATUTE SHALL LIMIT THE COMMON LAW POWERS OF THE ATTORNEY GENERAL CONCERNING THE MERGER OF A NONPROFIT CORPORATION.

7-90-204. Effect of merger. (1) AFTER A MERGER IS EFFECTIVE:

(a) FOR ALL PURPOSES, ALL OF THE RIGHTS, PRIVILEGES, AND POWERS OF EACH OF THE MERGING ENTITIES, AND ALL PROPERTY, REAL, PERSONAL, AND MIXED, AND ALL DEBTS DUE TO EACH OF THE MERGING ENTITIES, AS WELL AS ALL OTHER THINGS AND CAUSES OF ACTION OF EACH OF THE MERGING ENTITIES, SHALL BE VESTED IN THE SURVIVING ENTITY AND SHALL THEREAFTER BE THE PROPERTY OF THE SURVIVING ENTITY AS THEY WERE OF THE MERGING ENTITIES. THE TITLE TO ANY REAL PROPERTY VESTED BY DEED OR OTHERWISE IN EACH OF THE MERGING ENTITIES SHALL NOT REVERT OR BE IN ANY WAY IMPAIRED BY REASON OF THE MERGER; EXCEPT THAT ALL RIGHTS OF CREDITORS AND ALL LIENS UPON ANY PROPERTY OF EACH OF THE MERGING ENTITIES SHALL BE PRESERVED UNIMPAIRED. ALL DEBTS, LIABILITIES, AND DUTIES OF THE MERGING ENTITIES SHALL ATTACH TO THE SURVIVING ENTITY AND MAY BE ENFORCED AGAINST THE SURVIVING ENTITY TO THE SAME EXTENT AS IF SAID DEBTS, LIABILITIES, AND DUTIES HAD BEEN INCURRED OR CONTRACTED BY THE SURVIVING ENTITY.

(b) ANY OWNER WHO WAS LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF ANY MERGING ENTITY BY VIRTUE OF BEING AN OWNER OF THE MERGING ENTITY, BUT WHO WILL OTHERWISE NOT BE LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE SURVIVING ENTITY, REMAINS LIABLE FOR THE DEBTS, OBLIGATIONS, AND LIABILITIES OF THE MERGING ENTITY INCURRED BEFORE MERGER TO THE SAME EXTENT AS IF THE MERGER HAD NOT TAKEN PLACE.

(c) UNLESS OTHERWISE AGREED, OR AS REQUIRED UNDER THE ORGANIC STATUTE GOVERNING A MERGING ENTITY, NO MERGING ENTITY SHALL BE REQUIRED TO WIND UP ITS AFFAIRS OR PAY ITS LIABILITIES AND DISTRIBUTE ITS ASSETS, AND THE MERGER SHALL NOT BE DEEMED TO CONSTITUTE A DISSOLUTION OF THE MERGING ENTITY.

7-90-205. Scope of article; article not exclusive. THE PROVISIONS OF THIS ARTICLE ARE NOT EXCLUSIVE. ENTITIES MAY BE CONVERTED INTO OTHER ENTITIES IN ANY MANNER SET FORTH BY LAW. THIS ARTICLE SHALL NOT APPLY TO ANY MERGER OR CONVERSION GOVERNED BY ANY OTHER CONTROLLING STATUTE.

7-90-206. Article not to conflict with organic statutes or common law. (1) TO THE EXTENT THAT ANY ORGANIC STATUTE OR THE COMMON LAW EXPRESSLY PROHIBITS OR RESTRICTS THE RIGHT OF ANY ENTITY TO CONVERT INTO OR MERGE WITH ANY OTHER ENTITY, GRANTS DISSENTER'S RIGHTS WITH RESPECT TO SUCH MERGER OR CONVERSION, OR IMPOSES REQUIREMENTS ON SUCH CONVERSION OR MERGER, ANY MERGER OR CONVERSION OF SUCH ENTITY UNDER THIS ARTICLE SHALL BE SUBJECT TO SUCH RESTRICTION, ENTITLE ITS OWNERS TO SUCH DISSENTER'S RIGHTS, AND BE SUBJECT TO SUCH REQUIREMENTS.

(2) EXCEPT TO THE EXTENT THE ORGANIC STATUTE GOVERNING AN ENTITY EXPRESSLY PROVIDES OTHERWISE, THE ENTITY MAY NOT BE A PARTY TO A MERGER OR

CONVERSION UNDER THIS PART 2 UNLESS A PERSON RECEIVING A PROPERTY OF THE ENTITY AS PART OF THE MERGER OR CONVERSION, INCLUDING THE RESULTING ENTITY IN THE CASE OF A CONVERSION AND THE SURVIVING ENTITY IN THE CASE OF A MERGER, WOULD BE PERMITTED TO RECEIVE THE PROPERTY UNDER THE ORGANIC STATUTE GOVERNING THE ENTITY AND THE CONSTITUENT GOVERNING DOCUMENTS OF THE ENTITY:

(a) AS A DISTRIBUTION OF THAT PROPERTY OF THE ENTITY AS A LIQUIDATING OR OTHER DISTRIBUTION FROM THE ENTITY TO ITS OWNERS;

(b) AS A TRANSFER OF PROPERTY FOR FAIR MARKET VALUE, IF THE ENTITY RECEIVES NEW VALUE EQUAL TO, OR IN EXCESS OF, ALL PROPERTY TRANSFERRED BY THE ENTITY; OR

(c) AS THE RECEIPT OF PROPERTY THAT COULD HAVE BEEN DISTRIBUTED BY THE ENTITY AS A LIQUIDATING OR OTHER DISTRIBUTION FROM THE ENTITY TO ITS OWNERS, IF THE OWNERS OF THE ENTITY WHO COULD HAVE RECEIVED THE PROPERTY CONSENT TO THE TERMS OF THE MERGER OR CONVERSION.

PART 3 FILING DOCUMENTS

7-90-301. Filing requirements - number of copies - signature as affirmation.

(1) A DOCUMENT SHALL SATISFY THE REQUIREMENTS OF THIS SECTION, AND OF ANY OTHER SECTION THAT ADDS TO OR VARIES THESE REQUIREMENTS, TO BE ENTITLED TO FILING BY THE SECRETARY OF STATE PURSUANT TO THIS ARTICLE.

(2) THE DOCUMENT SHALL BE ONE THAT IS REQUIRED OR PERMITTED BY THIS ARTICLE TO BE FILED IN THE OFFICE OF THE SECRETARY OF STATE.

(3) THE DOCUMENT SHALL CONTAIN ALL INFORMATION REQUIRED BY THIS ARTICLE AND MAY CONTAIN OTHER INFORMATION AS WELL.

(4) THE DOCUMENT SHALL BE TYPEWRITTEN OR PRINTED.

(5) THE DOCUMENT SHALL BE IN THE ENGLISH LANGUAGE. THE NAME OF THE ENTITY NEED NOT BE IN ENGLISH IF WRITTEN IN ENGLISH LETTERS OR ARABIC OR ROMAN NUMERALS, AND THE CERTIFICATE OF EXISTENCE REQUIRED OF FOREIGN ENTITIES NEED NOT BE IN ENGLISH IF ACCOMPANIED BY A REASONABLY AUTHENTICATED ENGLISH TRANSLATION.

(6) THE DOCUMENT SHALL BE EXECUTED, OR SHALL BE A TRUE COPY, MADE BY PHOTOGRAPHIC, XEROGRAPHIC, OR OTHER PROCESS PROVIDING SIMILAR COPY ACCURACY, OF A DOCUMENT THAT HAS BEEN EXECUTED, BY THE PERSON AUTHORIZED TO EXECUTE THE CONSTITUENT FILED DOCUMENT WITH RESPECT TO THE ENTITY CAUSING THE DOCUMENT TO BE FILED. IN THE CASE OF A DOCUMENT TO BE FILED BY A REGISTERED AGENT, THE DOCUMENT SHALL BE EXECUTED BY THE REGISTERED AGENT IF THE PERSON IS AN INDIVIDUAL, OR BY A PERSON AUTHORIZED BY THE REGISTERED AGENT TO EXECUTE THE DOCUMENT IF THE REGISTERED AGENT IS AN ENTITY.

(7) THE PERSON EXECUTING THE DOCUMENT SHALL STATE BENEATH OR OPPOSITE SUCH PERSON'S SIGNATURE HIS OR HER NAME AND THE CAPACITY IN WHICH THE PERSON SIGNS.

(8) THE SIGNATURE OF EACH PERSON SIGNING THE DOCUMENT SHALL CONSTITUTE THE AFFIRMATION OR ACKNOWLEDGMENT OF SUCH PERSON, UNDER PENALTIES OF PERJURY, THAT THE DOCUMENT IS THE PERSON'S ACT AND DEED OR THE ACT AND DEED OF THE ENTITY AND THAT THE FACTS STATED IN THE DOCUMENT ARE TRUE.

(9) IF THE SECRETARY OF STATE REQUIRES THE USE OF A FORM OR COVER SHEET FOR A DOCUMENT, THE DOCUMENT SHALL BE IN OR ON THE REQUIRED FORM OR SHALL HAVE THE REQUIRED COVER SHEET.

(10) THE DOCUMENT SHALL BE DELIVERED TO THE SECRETARY OF STATE FOR FILING AND SHALL BE ACCOMPANIED BY ONE EXACT OR CONFORMED COPY THEREOF, THE CORRECT FILING FEE, AND ANY PENALTY REQUIRED BY LAW. THE DOCUMENT SHALL STATE, OR BE ACCOMPANIED BY A WRITING STATING, THE ADDRESS TO WHICH THE SECRETARY OF STATE MAY SEND A COPY UPON COMPLETION OF THE FILING.

7-90-302. Forms - secretary of state to furnish upon request. THE SECRETARY OF STATE MAY PREPARE AND FURNISH FORMS AND COVER SHEETS FOR ANY DOCUMENT REQUIRED OR PERMITTED BY THIS ARTICLE AND MAY REQUIRE THE USE OF ANY SUCH FORM OR COVER SHEET; HOWEVER, NO REQUIREMENT THAT A FORM OR COVER SHEET BE USED SHALL PRECLUDE IN ANY WAY THE INCLUSION IN ANY DOCUMENT OF ANY ITEM THE INCLUSION OF WHICH IS NOT PROHIBITED BY THIS ARTICLE OR REQUIRE THE INCLUSION OF ANY ITEM THE INCLUSION OF WHICH IS NOT REQUIRED BY THIS ARTICLE. THE SECRETARY OF STATE SHALL FURNISH, ON REQUEST, ANY FORM OR COVER SHEET THAT THE SECRETARY OF STATE REQUIRES TO BE USED PURSUANT TO THIS SECTION.

7-90-303. Filing, service, and copying fees - subpoenas. (1) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT FEES AND OTHER CHARGES, WHICH SHALL BE DETERMINED AND COLLECTED PURSUANT TO SECTION 24-21-104 (3), C.R.S., FOR:

- (a) ISSUING ANY CERTIFICATE;
- (b) FURNISHING WRITTEN INFORMATION CONCERNING ANY ENTITY;
- (c) FURNISHING A COPY OF ANY DOCUMENT OR INSTRUMENT;
- (d) CERTIFYING A COPY OF ANY DOCUMENT OR INSTRUMENT THAT IS ON FILE WITH THE SECRETARY OF STATE;
- (e) SERVICE OF ANY NOTICE, DEMAND, OR PROCESS UPON THE SECRETARY OF STATE AS THE REGISTERED AGENT OF AN ENTITY, WHICH AMOUNT MAY BE RECOVERED AS COSTS BY THE PARTY TO THE SUIT, ACTION, OR PROCEEDING CAUSING SUCH SERVICE TO BE MADE IF SUCH PARTY PREVAILS THEREIN; AND
- (f) FILING ANY DOCUMENT REQUIRED OR PERMITTED TO BE FILED UNDER ARTICLES 101 TO 117 OF THIS TITLE.

(2) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT, AT THE TIME OF

SERVICE OF ANY SUBPOENA UPON THE SECRETARY OF STATE OR ANY DEPUTY OR EMPLOYEE OF THE SECRETARY OF STATE'S OFFICE, A FEE OF FIFTY DOLLARS AND AN ALLOWANCE OF TEN DOLLARS FOR MEALS AND A CHARGE FOR MILEAGE AT THE RATE PRESCRIBED BY SECTION 24-9-104, C.R.S., FOR EACH MILE FROM THE STATE CAPITOL BUILDING TO THE PLACE NAMED IN THE SUBPOENA. THE FEE SHALL BE PAID TO THE SECRETARY OF STATE; THE MEAL ALLOWANCE AND MILEAGE CHARGE SHALL BE PAID TO THE PERSON NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS REQUIRED TO APPEAR AT THE PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, HE OR SHE SHALL BE PAID IN ADVANCE A PER DIEM ALLOWANCE OF FORTY-FOUR DOLLARS FOR EACH DAY OF ATTENDANCE IN ADDITION TO ANY OTHER FEES, ALLOWANCES, AND CHARGES.

(3) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT ALL OTHER FEES AND PENALTIES IMPOSED BY OR ASSESSED IN ACCORDANCE WITH THIS ARTICLE.

(4) IN ALL CASES WHERE FEES OR CHARGES ARE IMPOSED UNDER THIS ARTICLE, THE FEE SHALL INCLUDE INDEXING AND FILING OF THE DOCUMENT AND SHALL INCLUDE AFFIXING THE SEAL OF THE SECRETARY OF STATE UPON ANY CERTIFIED COPY.

7-90-304. Effective time and date of document. (1) EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION A DOCUMENT THAT IS FILED BY THE SECRETARY OF STATE IS EFFECTIVE:

(a) AT THE TIME OF FILING ON THE DATE IT IS FILED, AS EVIDENCED BY THE SECRETARY OF STATE'S TIME AND DATE ENDORSEMENT ON THE DOCUMENT; OR

(b) AT THE LATER OF THE TIME SPECIFIED IN THE DOCUMENT AS ITS EFFECTIVE TIME ON THE DATE IT IS FILED, AS SUCH DATE IS SPECIFIED IN THE SECRETARY OF STATE'S TIME AND DATE ENDORSEMENT ON THE DOCUMENT, OR THE TIME SPECIFIED IN SUCH TIME AND DATE ENDORSEMENT OF THE SECRETARY OF STATE.

(2) A DOCUMENT MAY SPECIFY A DELAYED EFFECTIVE TIME AND DATE, AND IF IT DOES SO THE DOCUMENT BECOMES EFFECTIVE AT THE TIME AND DATE SPECIFIED. IF A DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE BUT NOT A TIME, THE DOCUMENT IS EFFECTIVE AT THE CLOSE OF BUSINESS ON THAT DATE. IF A DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE THAT IS LATER THAN THE NINETIETH DAY AFTER THE DATE THE DOCUMENT IS FILED, THE DOCUMENT IS EFFECTIVE ON THE NINETIETH DAY AFTER IT IS FILED.

(3) IF A DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE DOCUMENT MAY BE PREVENTED FROM BECOMING EFFECTIVE BY DELIVERING TO THE SECRETARY OF STATE FOR FILING, ON OR BEFORE THE EARLIER OF THE SPECIFIED EFFECTIVE DATE OF THE DOCUMENT OR THE NINETIETH DAY AFTER THE DOCUMENT IS FILED, A CERTIFICATE OF WITHDRAWAL, EXECUTED IN THE SAME MANNER AS THE DOCUMENT BEING WITHDRAWN, STATING:

(a) THAT THE DOCUMENT HAS BEEN REVOKED BY APPROPRIATE ACTION OF THE ENTITY OR BY COURT ORDER OR DECREE AND IS VOID; AND

(b) IN THE CASE OF A COURT ORDER OR DECREE, THAT SUCH COURT ORDER OR DECREE WAS ENTERED BY A COURT HAVING JURISDICTION OF THE PROCEEDING FOR

THE REORGANIZATION OF THE ENTITY UNDER A SPECIFIED STATUTE OF THE UNITED STATES.

7-90-305. Correcting filed document. (1) AN ENTITY MAY CORRECT A DOCUMENT FILED BY THE SECRETARY OF STATE IF THE DOCUMENT CONTAINS AN INCORRECT STATEMENT OR WAS DEFECTIVELY EXECUTED, ATTESTED, SEALED, VERIFIED, OR ACKNOWLEDGED.

(2) A DOCUMENT IS CORRECTED BY DELIVERING TO THE SECRETARY OF STATE FOR FILING ARTICLES OF CORRECTION THAT:

(a) DESCRIBE THE DOCUMENT, INCLUDING ITS FILING DATE, OR HAVE A COPY OF IT ATTACHED TO THE ARTICLES OF CORRECTION;

(b) SPECIFY THE INCORRECT STATEMENT AND THE REASON IT IS INCORRECT OR THE MANNER IN WHICH THE EXECUTION, ATTESTATION, SEALING, VERIFICATION, OR ACKNOWLEDGMENT WAS DEFECTIVE; AND

(c) CORRECT THE INCORRECT STATEMENT OR THE DEFECTIVE EXECUTION, ATTESTATION, SEALING, VERIFICATION, OR ACKNOWLEDGMENT.

(3) ARTICLES OF CORRECTION MAY BE EXECUTED BY ANY PERSON AUTHORIZED TO EXECUTE THE CONSTITUENT FILED DOCUMENT FOR THE ENTITY OR BY THE PERSON OR PERSONS WHO EXECUTED THE DOCUMENT THAT IS CORRECTED.

(4) ARTICLES OF CORRECTION ARE EFFECTIVE ON THE EFFECTIVE DATE OF THE DOCUMENT THEY CORRECT EXCEPT AS TO PERSONS RELYING ON THE UNCORRECTED DOCUMENT AND ADVERSELY AFFECTED BY THE CORRECTION. AS TO THOSE PERSONS, ARTICLES OF CORRECTION ARE EFFECTIVE WHEN FILED.

7-90-306. Filing duty of secretary of state - manner of filing. (1) IF A DOCUMENT DELIVERED TO THE SECRETARY OF STATE FOR FILING SATISFIES THE REQUIREMENTS OF SECTION 7-90-301, THE SECRETARY OF STATE SHALL FILE IT.

(2) THE SECRETARY OF STATE FILES A DOCUMENT BY LEGIBLY STAMPING OR OTHERWISE ENDORSING THE WORD "FILED", TOGETHER WITH THE NAME AND OFFICIAL TITLE OF THE SECRETARY OF STATE AND THE TIME AND DATE OF RECEIPT, ON BOTH THE DOCUMENT AND THE ACCOMPANYING COPY OR COPIES. AFTER FILING A DOCUMENT, THE SECRETARY OF STATE SHALL DELIVER THE ACCOMPANYING COPY, WITH THE RECEIPT FOR FILING FEES, IF ANY, TO THE ENTITY OR AT THE ADDRESS STATED PURSUANT TO SECTION 7-90-301(10).

(3) IF THE SECRETARY OF STATE REFUSES TO FILE A DOCUMENT, THE SECRETARY OF STATE SHALL RETURN IT TO THE PERSON DELIVERING THE DOCUMENT, TOGETHER WITH A WRITTEN NOTICE PROVIDING A BRIEF EXPLANATION OF THE REASON FOR THE REFUSAL, WITHIN TEN DAYS AFTER THE DOCUMENT WAS DELIVERED TO THE SECRETARY OF STATE.

(4) THE SECRETARY OF STATE'S DUTY TO FILE DOCUMENTS UNDER THIS SECTION IS MINISTERIAL. THE FILING OF OR REFUSAL TO FILE A DOCUMENT DOES NOT:

- (a) AFFECT THE VALIDITY OR INVALIDITY OF THE DOCUMENT IN WHOLE OR IN PART;
- (b) RELATE TO THE CORRECTNESS OR INCORRECTNESS OF INFORMATION CONTAINED IN THE DOCUMENT; OR
- (c) CREATE A PRESUMPTION THAT THE DOCUMENT IS VALID OR INVALID OR THAT INFORMATION CONTAINED IN THE DOCUMENT IS CORRECT OR INCORRECT.

7-90-307. Appeal from secretary of state's refusal to file document. (1) IF THE SECRETARY OF STATE REFUSES TO FILE A DOCUMENT DELIVERED TO THE SECRETARY OF STATE FOR FILING, THE PERSON DELIVERING THE DOCUMENT FOR FILING MAY, WITHIN FORTY-FIVE DAYS AFTER THE EFFECTIVE DATE OF THE NOTICE OF THE REFUSAL GIVEN BY THE SECRETARY OF STATE PURSUANT TO SECTION 7-90-306 (3), APPEAL TO THE DISTRICT COURT OF THE COUNTY IN THIS STATE WHERE THE ENTITY'S PRINCIPAL OFFICE IS LOCATED, OR, IF THE ENTITY HAS NO PRINCIPAL OFFICE IN THIS STATE, TO THE DISTRICT COURT OF THE COUNTY IN WHICH THE ENTITY'S REGISTERED OFFICE IS LOCATED OR, IF THE ENTITY HAS NO REGISTERED OFFICE IN THIS STATE, TO THE DISTRICT COURT OF THE CITY AND COUNTY OF DENVER. THE APPEAL IS COMMENCED BY PETITIONING THE COURT TO COMPEL THE FILING OF THE DOCUMENT BY THE SECRETARY OF STATE AND BY ATTACHING TO THE PETITION A COPY OF THE DOCUMENT AND A COPY OF THE SECRETARY OF STATE'S NOTICE OF REFUSAL.

(2) THE COURT MAY ORDER THE SECRETARY OF STATE TO FILE THE DOCUMENT OR TO TAKE SUCH OTHER ACTION AS THE COURT CONSIDERS APPROPRIATE.

(3) THE COURT'S ORDER OR DECISION MAY BE APPEALED AS IN OTHER CIVIL PROCEEDINGS.

7-90-308. Evidentiary effect of copy of filed document. A CERTIFICATE ATTACHED TO A COPY OF A DOCUMENT FILED BY THE SECRETARY OF STATE BEARING THE SECRETARY OF STATE'S SIGNATURE, EITHER MANUAL OR FACSIMILE, AND THE SEAL OF THIS STATE IS PRIMA FACIE EVIDENCE THAT THE DOCUMENT IS ON FILE WITH THE SECRETARY OF STATE.

7-90-309. Certificates issued by secretary of state. (1) THE SECRETARY OF STATE SHALL ISSUE TO ANY PERSON, UPON REQUEST, A CERTIFICATE THAT SETS FORTH ANY FACTS OF RECORD IN THE OFFICE OF THE SECRETARY OF STATE, INCLUDING, IF APPROPRIATE, A CERTIFICATE OF GOOD STANDING CONCERNING ANY ENTITY.

(2) A CERTIFICATE ISSUED BY THE SECRETARY OF STATE MAY BE RELIED UPON, SUBJECT TO ANY QUALIFICATION STATED IN THE CERTIFICATE, AS PRIMA FACIE EVIDENCE OF THE FACTS SET FORTH THEREIN.

7-90-310. Proof of delivery for filing. (1) THE SECRETARY OF STATE MAY CONSIDER A DOCUMENT TO HAVE BEEN RECEIVED FOR FILING UPON PROOF OF RECEIPT WITH A SIGNED RETURN RECEIPT, AN ENTRY OF A LOG MAINTAINED BY THE SECRETARY OF STATE OF FACSIMILE TRANSMISSIONS RECEIVED, OR SUCH OTHER ADDITIONAL PROOF OF RECEIPT OF THE DOCUMENTS RECEIVED AS THE SECRETARY OF STATE MAY REQUIRE. SUCH PROOF MUST BE SATISFACTORY TO THE SECRETARY OF STATE BEFORE THE DOCUMENT WILL BE CONSIDERED RECEIVED.

(2) THE SECRETARY OF STATE MAY REQUIRE THAT THE RECEIPT OF A DOCUMENT BY FACSIMILE TRANSMISSION ON OR AFTER FEBRUARY 11, 1994, BE SHOWN IN THE LOG OF FACSIMILE TRANSMISSIONS RECEIVED BY THE SECRETARY OF STATE. THE SECRETARY OF STATE MAY CONDITION RELIEF UNDER THIS SECTION UPON FULFILLMENT OF SUCH OTHER REQUIREMENTS OR CONDITIONS THAT THE SECRETARY OF STATE FINDS APPROPRIATE, INCLUDING, WITHOUT LIMITATION, THE MAKING OF A CHANGE OF NAME OF THE ENTITY INVOLVED AND PAYMENT OF FEES FOR THE FILING.

(3) APPLICATION FOR RELIEF UNDER THIS SECTION SHALL BE DELIVERED TO THE SECRETARY OF STATE WITHIN SIXTY DAYS OF THE RECEIPT OF SUCH DOCUMENT BY THE SECRETARY OF STATE. THE APPLICATION SHALL CONTAIN SUFFICIENT INFORMATION FOR THE SECRETARY OF STATE TO IDENTIFY THE TRANSACTION.

7-90-311. Powers. THE SECRETARY OF STATE HAS ALL POWERS REASONABLY NECESSARY TO PERFORM THE DUTIES REQUIRED OF THE OFFICE BY THIS ARTICLE.

7-90-312. Restated constituent filed documents. (1) UNLESS THE ORGANIC STATUTE GOVERNING AN ENTITY EXPRESSLY PROVIDES OTHERWISE:

(a) AN ENTITY MAY RESTATE ITS CONSTITUENT FILED DOCUMENT AT ANY TIME BY ACTION OF ITS OWNERS OR OF ANY OTHER PERSON OR ENTITY AUTHORIZED BY THE ENTITY'S ORGANIC STATUTE TO FILE DOCUMENTS WITH THE SECRETARY OF STATE ON BEHALF OF THE ENTITY.

(b) THE RESTATEMENT MAY INCLUDE ONE OR MORE AMENDMENTS TO THE CONSTITUENT FILED DOCUMENT, IF ANY AMENDMENT TO THE CONSTITUENT FILED DOCUMENT HAS BEEN APPROVED IN THE MANNER PROVIDED IN THE ORGANIC STATUTE GOVERNING THE ENTITY.

(c) AN ENTITY RESTATING ITS CONSTITUENT FILED DOCUMENT SHALL DELIVER TO THE SECRETARY OF STATE FOR FILING, ARTICLES OF RESTATEMENT SETTING FORTH:

(I) THE NAME OF THE ENTITY;

(II) THE TEXT OF THE RESTATED CONSTITUENT FILED DOCUMENT;

(III) IF THE RESTATEMENT CONTAINS AN AMENDMENT TO THE CONSTITUENT FILED DOCUMENT, A STATEMENT THAT THE AMENDMENT HAS BEEN ADOPTED IN ACCORDANCE WITH THE ORGANIC STATUTE GOVERNING THE ENTITY AND, IF THE ORGANIC STATUTE GOVERNING THE ENTITY REQUIRES THAT THE AMENDMENT BE APPROVED BY THE OWNERS, A STATEMENT THAT THE NUMBER OF VOTES CAST, AND, IF APPROPRIATE, THAT THE NUMBER OF VOTES CAST BY PARTICULAR OWNERS FOR THE AMENDMENT WAS SUFFICIENT FOR APPROVAL.

(d) UPON FILING BY THE SECRETARY OF STATE OR AT ANY LATER EFFECTIVE DATE PROVIDED IN THE CONSTITUENT FILED DOCUMENT, DETERMINED PURSUANT TO SECTION 7-90-304, RESTATED ARTICLES OF INCORPORATION SUPERSEDE THE ORIGINAL ARTICLES OF INCORPORATION AND ALL PRIOR AMENDMENTS TO THE ORIGINAL ARTICLES OF INCORPORATION.

SECTION 22. 12-2-117 (3) (c) and (3.5), Colorado Revised Statutes, 1991 Repl.

Vol., as amended, are amended to read:

12-2-117. Partnerships, professional corporations, and limited liability companies composed of certified public accountants - registration thereof.

(3) The corporation must be in compliance with the "Colorado Business Corporation Act", articles 101 to 117 of title 7, C.R.S., and, to the extent applicable under section 7-117-103, C.R.S., with the "Colorado Corporation Code", articles 1 to 10 of title 7, C.R.S. The limited liability company must be in compliance with the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S. The organizing documents of any partnership, the articles of incorporation of any such corporation, or the articles of organization of any such limited liability company shall contain provisions complying with the following requirements:

(c) All partners, shareholders of the corporation, or members of the limited liability company shall be jointly and severally liable for all acts, errors, and omissions of the employees of the partnership, corporation, or limited liability company except during periods of time when the partnership, corporation, or limited liability company maintains in good standing professional liability insurance, OR DESIGNATED OR SEGREGATED MONEYS IN LIEU OF SUCH PROFESSIONAL LIABILITY INSURANCE, which meets the following minimum standards SET FORTH IN SUBPARAGRAPHS (I) TO (V) OF THIS PARAGRAPH (c):

(I) The insurance shall insure the partnership, corporation, or limited liability company against liability imposed upon the partnership, corporation, or limited liability company by law for damages resulting from any claim made against the partnership, corporation, or limited liability company arising out of ACTS, ERRORS, AND OMISSIONS COMMITTED IN the performance of professional services for others by those employees of the partnership, corporation, or limited liability company who hold certificates to practice public accounting as certified public accountants.

(II) Such policies shall insure the partnership, corporation, or limited liability company against liability imposed upon it by law for damages arising out of the acts, errors, and omissions of all other employees.

(III) The insurance shall be in an amount for each claim of at least fifty thousand dollars multiplied by the number of certified public accountants employed by or members of the partnership, corporation, or limited liability company within this state, and the policy may provide for an aggregate top limit of liability per year for all claims of one hundred fifty thousand dollars also multiplied by the number of certified public accountants employed by or members of the partnership, corporation, or limited liability company within this state; except that no firm shall be required to carry insurance in excess of three hundred thousand dollars for each claim with an aggregate top limit of liability for all claims during the year of one million dollars and except that the board, in the public interest, may adopt regulations increasing the minimum amounts of insurance coverage required by this subsection (3). A POLICY OF INSURANCE OBTAINED IN ACCORDANCE WITH THIS SUBPARAGRAPH (III) MAY BE ISSUED ON A CLAIMS-MADE OR OCCURRENCE BASIS.

(IV) (A) The policy may provide that it does not apply to: Any dishonest, fraudulent, criminal, or malicious act or omission of the insured partnership, corporation, or limited liability company or any partner, stockholder, member, or

employee thereof; the conduct of any business enterprise in which the insured partnership, corporation, or limited liability company under this article is not permitted to engage but which nevertheless may be owned by the insured partnership, corporation, or limited liability company or in which the insured partnership, corporation, or limited liability company may be a partner or which may be controlled, operated, or managed by the insured partnership, corporation, or limited liability company in its own or in a fiduciary capacity including the ownership, maintenance, or use of any property in connection therewith; and bodily injury to, or sickness, disease, or death of, any person, or to injury to or destruction of any tangible property, including the loss of use thereof.

(B) The policy may BE OF A TYPE REASONABLY AVAILABLE IN THE COMMERCIAL INSURANCE MARKET AND MAY contain reasonable provisions with respect to policy periods, territory, claims, conditions, EXCLUSIONS, and other usual matters.

(C) THE POLICY MAY PROVIDE FOR A DEDUCTIBLE, OR SELF-INSURED RETAINED AMOUNT, AND MAY PROVIDE FOR THE PAYMENT OF DEFENSE OR OTHER COSTS OUT OF THE STATED LIMITS OF THE POLICY, IN EITHER OR BOTH CASES, ALL PARTNERS, SHAREHOLDERS OF THE CORPORATION, OR MEMBERS OF THE LIMITED LIABILITY COMPANY SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL ACTS, ERRORS, AND OMISSIONS OF THE EMPLOYEES OF THE PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY TO THE EXTENT OF THE AMOUNT OF SUCH DEDUCTIBLE OR RETAINED SELF-INSURANCE, AND THE AMOUNT, IF ANY, BY WHICH THE PAYMENT OF DEFENSE COSTS REDUCES THE INSURANCE REMAINING AVAILABLE FOR THE PAYMENT OF CLAIMS BELOW THE MINIMUM LIMIT OF INSURANCE REQUIRED BY THIS PARAGRAPH (c).

(V) A PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY MAY MAINTAIN, IN LIEU OF THE INSURANCE SPECIFIED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH (c), MONEYS SPECIFICALLY DESIGNATED AND SEGREGATED AS SECURITY FOR THE PAYMENT OF LIABILITIES IMPOSED BY LAW AGAINST THE PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY, OR ITS PARTNERS, SHAREHOLDERS, OR MEMBERS, ARISING OUT OF CLAIMS OF THE TYPE SPECIFIED IN SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c), IN THE AMOUNT OF AT LEAST FIFTY THOUSAND DOLLARS MULTIPLIED BY THE NUMBER OF CERTIFIED PUBLIC ACCOUNTANTS EMPLOYED BY OR MEMBERS OF THE PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY WITHIN THIS STATE; EXCEPT THAT SUCH AMOUNT IS NOT REQUIRED TO EXCEED ONE MILLION DOLLARS AND EXCEPT THAT THE BOARD, IN THE PUBLIC INTEREST, MAY ADOPT REGULATIONS INCREASING THE MINIMUM AMOUNT OF DESIGNATED AND SEGREGATED MONEYS REQUIRED BY THIS SUBPARAGRAPH (V). THE PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY REMAINS IN COMPLIANCE WITH THIS SECTION NOTWITHSTANDING AMOUNTS PAID FROM THE DESIGNATED OR SEGREGATED MONEYS IN ANY ONE CALENDAR YEAR IN SETTLING OR DISCHARGING SUCH CLAIMS, SO LONG AS THE AMOUNT OF THE DESIGNATED AND SEGREGATED MONEYS IS INCREASED TO AT LEAST THE MINIMUM REQUIRED AMOUNT AS OF THE FIRST BUSINESS DAY OF THE NEXT CALENDAR YEAR. A PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY IS IN COMPLIANCE WITH THIS SUBPARAGRAPH (V) IF IT MAINTAINS MONEYS IN THE REQUIRED AMOUNT IN TRUST OR IN BANK ESCROW IN THE FORM OF CASH, BANK CERTIFICATES OF DEPOSIT, OR UNITED STATES TREASURY OBLIGATIONS, OR MAINTAINS IN EFFECT BANK UNCONDITIONAL, IRREVOCABLE LETTERS OF CREDIT IN THE REQUIRED AMOUNT OR INSURANCE OR

SURETY COMPANY BONDS IN THE REQUIRED AMOUNT. SUCH MONEYS OR EQUIVALENCY SHALL BE MAINTAINED IN OR ISSUED BY A QUALIFIED UNITED STATES FINANCIAL INSTITUTION AS DEFINED BY SECTION 10-1-102 (9.5), C.R.S.

(3.5) No limited liability company, registered limited liability partnership, or foreign limited liability partnership engaged in the practice of public accounting in this state and in one or more other jurisdictions shall be required to include a provision in its articles of organization or organizing documents as otherwise required by subsection (3) of this section, but shall be subject, with respect to the practice of public accounting within this state, to the requirements of paragraphs (a), (b), (c), and (d) of subsection (3) of this section. ~~and shall maintain in good standing professional liability insurance which meets the minimum standards provided in subparagraphs (I) through (IV) of paragraph (c) of subsection (3) of this section, or, if it does not maintain such insurance, its members or partners shall be jointly and severally liable for all acts, errors, and omissions of its employees occurring in this state during periods of time that it does not maintain such insurance.~~

SECTION 23. Article 30 of title 38, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

38-30-172. Evidence of existence and authority - definitions. (1) PRIMA FACIE EVIDENCE OF THE EXISTENCE OF AN ENTITY AND THE AUTHORITY OF ONE OR MORE PERSONS TO ACT ON BEHALF OF AN ENTITY TO CONVEY, ENCUMBER, OR OTHERWISE AFFECT TITLE TO REAL PROPERTY MAY BE SHOWN AS PROVIDED IN THIS SECTION.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ENTITY" MEANS A PERSON AS DEFINED IN SECTION 2-4-401, C.R.S., OTHER THAN AN INDIVIDUAL, CAPABLE OF HOLDING TITLE TO REAL PROPERTY.

(b) "ENTITY DESCRIPTION" MEANS THE TYPE OF ENTITY AND MAY ALSO INCLUDE THE NAME OF THE STATE, COUNTRY, OR OTHER GOVERNMENTAL AUTHORITY UNDER WHOSE LAWS IT WAS FORMED.

(c) "RECORDED" MEANS RECORDED WITH THE COUNTY CLERK AND RECORDER OF THE COUNTY IN WHICH THE REAL PROPERTY IS SITUATED.

(d) "STATEMENT OF AUTHORITY" MEANS AN INSTRUMENT EXECUTED ON BEHALF OF THE ENTITY THAT CONTAINS:

(I) THE NAME OF THE ENTITY;

(II) THE TYPE OF ENTITY AND THE STATE, COUNTRY, OR OTHER GOVERNMENTAL AUTHORITY UNDER WHOSE LAWS IT WAS FORMED;

(III) A MAILING ADDRESS FOR THE ENTITY; AND

(IV) THE NAME OR POSITION OF THE PERSON AUTHORIZED TO EXECUTE INSTRUMENTS CONVEYING, ENCUMBERING, OR OTHERWISE AFFECTING TITLE TO REAL PROPERTY ON BEHALF OF THE ENTITY.

(3) PRIMA FACIE EVIDENCE OF THE EXISTENCE OF AN ENTITY THAT EXECUTED A RECORDED INSTRUMENT PURPORTING TO CONVEY, ENCUMBER, OR OTHERWISE AFFECT TITLE TO REAL PROPERTY MAY BE SHOWN BY THE FOLLOWING RECORDED INSTRUMENT:

(a) THE INSTRUMENT ITSELF, IF THAT INSTRUMENT USES THE SAME NAME AND THE SAME ENTITY DESCRIPTION, IF ANY, AS APPEARED IN THE INSTRUMENT BY WHICH THE ENTITY PURPORTED TO ACQUIRE TITLE TO THE REAL PROPERTY OR ANY PART THEREOF OR ANY INTEREST THEREIN; OR

(b) ANOTHER INSTRUMENT THAT IS REQUIRED BY LAW TO BE RECORDED TO ENABLE THE ENTITY TO HOLD OR CONVEY TITLE TO REAL PROPERTY; OR

(c) ANOTHER INSTRUMENT THAT IS PERMITTED BY LAW TO BE RECORDED, THAT NAMES THE ENTITY AND GIVES THE ENTITY DESCRIPTION OF THE ENTITY AND THAT BY LAW IS PRIMA FACIE EVIDENCE OF THE FACTS RECITED IN THE INSTRUMENT INsofar AS SUCH FACTS AFFECT TITLE TO REAL PROPERTY.

(4) PRIMA FACIE EVIDENCE OF THE AUTHORITY OF THE PERSON THAT EXECUTED AN INSTRUMENT ON BEHALF OF AN ENTITY PURPORTING TO CONVEY, ENCUMBER, OR OTHERWISE AFFECT TITLE TO REAL PROPERTY MAY BE SHOWN BY THE FOLLOWING RECORDED INSTRUMENTS:

(a) AN INSTRUMENT THAT IS REQUIRED OR PERMITTED BY LAW TO BE RECORDED IN ORDER TO EVIDENCE THE AUTHORITY OF ONE OR MORE PERSONS BY NAME OR BY POSITION TO EXECUTE INSTRUMENTS CONVEYING, ENCUMBERING, OR OTHERWISE AFFECTING TITLE TO REAL PROPERTY ON BEHALF OF THE ENTITY; OR

(b) A CERTIFIED COPY OF AN INSTRUMENT ON FILE WITH ANY AGENCY OR DEPARTMENT OF ANY STATE, COUNTRY, OR OTHER GOVERNMENTAL AUTHORITY THAT EVIDENCES THE AUTHORITY OF ONE OR MORE PERSONS BY NAME OR BY POSITION TO EXECUTE INSTRUMENTS CONVEYING, ENCUMBERING, OR OTHERWISE AFFECTING TITLE TO REAL PROPERTY ON BEHALF OF THE ENTITY; OR

(c) A STATEMENT OF AUTHORITY.

(5) A STATEMENT OF AUTHORITY MAY CONTAIN ANY LIMITATION AS MAY EXIST UPON THE AUTHORITY OF THE PERSON NAMED IN THE STATEMENT OR HOLDING THE POSITION DESCRIBED IN THE STATEMENT TO BIND THE ENTITY AND ANY OTHER MATTERS CONCERNING THE MANNER IN WHICH THE ENTITY DEALS WITH ANY INTEREST IN REAL PROPERTY. UPON RECORDING, A STATEMENT OF AUTHORITY SHALL CONSTITUTE PRIMA FACIE EVIDENCE OF THE FACTS RECITED IN THE STATEMENT INsofar AS THE FACTS AFFECT TITLE TO REAL PROPERTY AND OF THE AUTHORITY TO EXECUTE AND RECORD THE STATEMENT OF AUTHORITY ON BEHALF OF THE ENTITY.

(6) ANY RECORDED INSTRUMENT DESCRIBED IN SUBSECTION (4) OF THIS SECTION MAY BE AMENDED OR SUPERSEDED BY THE RECORDING OF A SUBSEQUENT INSTRUMENT OF THE TYPE DESCRIBED IN SUBSECTION (4) OF THIS SECTION. THE ABSENCE OF ANY LIMITATION DESCRIBED IN SUBSECTION (5) OF THIS SECTION IN A RECORDED INSTRUMENT DESCRIBED IN SUBSECTION (4) OF THIS SECTION SHALL BE PRIMA FACIE EVIDENCE THAT NO SUCH LIMITATIONS EXIST.

SECTION 24. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 3, 1997