

REQUESTED STATUTORY CHANGE

180.1709 Reorganization as ch. 181 corporation. Any domestic corporation with capital stock but not organized for profit, ~~that was formed before July 1, 1953,~~ may elect to become subject to ch. 181 by adopting restated articles of incorporation that conform with ch. 181, by the affirmative vote of the holders of two-thirds of all outstanding shares and of each class or series of outstanding shares. The domestic corporation shall file and record the restated articles of incorporation and, upon such filing, the domestic corporation shall be subject to ch. 181 and shall cease to be subject to this chapter. The shareholders shall be entitled to the same notice of the proposed action and shall have the same rights to object and to receive the fair value of their shares, as are provided in ss. 180.1301 to 180.1331 in respect to a sale of all assets, unless such receipt is inconsistent with the domestic corporation's articles of incorporation that were in effect before the restatement.

revisions to ch. 180

- Bar drafted language to allow mergers between 180's + non-profits

1/22

Jenny Boese
250-6045

10-29-07 TCF Grant on Rep. Sen. Meyer's effort +
LBA @ DFT. Since bill creates a conversion procedure,
go ahead and repeal 180.1709

Marchant, Robert

From: Roys, Lisa
Sent: Wednesday, October 31, 2001 4:50 PM
To: Marchant, Robert; Champagne, Rick
Cc: Grosenheider, Terry; Anderson, David
Subject: Final drafting changes - Next Economy

Attached is a list of amendments to LRB 3724/P2. This constitutes the final changes that you will be receiving from us. The top portion includes amendments from the Department of Revenue. Minor technical amendments are included at the bottom of the document from Tom Nichols' assistant.

I don't believe there are any outstanding issues, but let me know if there is anything I didn't address.



Comprehensive
Next Economy Bil...

Lisa Roys

Changes Agreed-Upon to LRB-3724/P2 (Next Economy Bill)

Joe

Section 1. 71.80(21) BUSINESS ENTITY CONVERSION. Notwithstanding any provision of ss. 179.76, 180.1161, 181.1161 and 183.1207, the conversion of a business entity to another form of business entity under s. 179.76, 180.1161, 181.1161 or 183.1207 shall be treated in the same manner as the conversion is treated for federal tax purposes.

Section 2. 73.03(57) Notwithstanding any provision of ss. 179.76, 180.1161, 181.1161 and 183.1207, to treat a business entity that converts to another form of business entity under s. 179.76, 180.1161, 181.1161 or 183.1207 in the same manner as the conversion is treated for federal tax for purposes of ch. 71.

Section 3 77.25(6) is amended and subsections (6a) and (6b) created to read as follows:

(6) Mergers of corporations, nonstock corporations, limited liability companies or limited partnerships, or any combination thereof;

(6a) Partnerships registering as limited liability partnerships under sec. 178.40, stats;

(6b) Conversions of corporations, nonstock corporations, limited liability companies or limited partnerships to another of these four forms of entity, provided that after the conversion the ownership interests in the entity remain identical with the ownership interests immediately prior to the conversion;

Section 13: Proposed sec. 179.70 (2) and (3), stats. (and parallel proposed statutes in other chapters), define "Domestic Business Entity" and "Foreign Business Entity" as including corporations under chs. 180 and 181, limited partnerships and limited liability companies under ch. 183. "Including" should be changed to read, "means." Otherwise there is the possibility of other unintended types of entities attempting to use these conversion provisions, with unforeseen consequences.

Section 14: Proposed 179.76(4)(a), is modified to read as follows:

*NOTE
NOT DONE bc
not clear what
prop. laws intended
to do. Looks
like restatement
of current laws
in more
comprehensive
way.*

(a) ^{1.} Except with respect to the taxation laws of each jurisdiction that are applicable upon the conversion of the business entity, the business entity that has been converted is no longer subject to the applicable laws governing organization of the prior form of business in its former state or other jurisdiction of organization, and shall thenceforth be subject to the applicable laws governing the converted form of business in the state or other jurisdiction of organization after its conversion. ^{2.} If the conversion is from or to a business entity, the laws applicable to which cause one or more of the owners thereof to be generally liable for the debts and obligations of such business entity, such owner or owners shall be so liable only for debts and obligations accrued during the period or periods in which such laws are applicable. However, the foregoing shall not ~~affect the liabilities of the owners thereof for income taxes, withholding, sales and~~

*not stated
in worse
way*

*subd.
new
not*

This subd. does not affect liability under taxation laws.

L NOTE

use taxes, excise taxes, and interest and penalties thereon, for which they would be liable without regard to such laws.

Similarly, proposed secs. 180.1161(4)(a), 181.1161(4)(a) and 183.1207(4)(a). Language similar to that in the last sentence not limiting owners' tax liabilities (except for those imposed under general passthrough liability) should also be added to parallel merger provisions secs. 180.1106(1)(am) and 181.1106(1m).

*NOTE
? what does
this mean?
It seems to
conflict w/
the proposed
language
which preserve
passthrough
liability*

Section 14. Section 179.76(4)(c) provides that all of the property of the converted entity is vested in the new entity without reversion or impairment. However, to permit local taxing authorities to maintain proper records, permit proper auditing by the Department of Revenue and to prevent avoidance of real estate transfer fees, this subsection should have the following language added:

If any converting business entity owns any Wisconsin real estate on the date of the conversion, that entity shall execute conveyances of such Wisconsin real estate in recordable form, together with prescribed real estate transfer fee forms, and the new business entity shall cause said conveyances to be recorded promptly in the office of the Register of Deeds for the county or counties in which said real estate is located.

OK

Similarly, this language should be added to the parallel provisions in proposed secs. 180.1161(4)(c), 181.1161(4)(c) and 183.1207(4)(c). Similar language should also be added to Subchapter II of ch. 77 for clarity.

Joe

Section 15. This section, as well as the parallel sections 180.1101, 181.1101 and 183.1201, posits the ability to perform cross-entity mergers, which is somewhat uncharted territory for tax purposes. Since, as with conversion, the presumed intention is to have the result parallel the federal treatment (whatever that may be), then there should be language similar to that proposed above for conversions in sections 1 and 2 of the bill, as revised above, but instead applicable to mergers instead of conversions. Cross-entity mergers of parents and subsidiaries under secs. 180.1104 and 181.1104 should be included as well.

Joe

The proposed following sections would thus need to be added.

71.80(22) BUSINESS ENTITY MERGER. Notwithstanding any provision of ss. 179.77, 180.1101, 180.1104, 181.1101, 181.1104 and 183.1201, merger of a business entity with one or more business entities under s. 179.77, 180.1101, 180.1104, 181.1101 or 183.1201 shall be treated in the same manner as the merger is treated for federal tax purposes.

73.03(58) Notwithstanding any provision of ss. 179.77, 180.1101, 180.1104, 181.1101, 181.1104 and 183.1201, to treat merger of a business entity with one or more business entities under s. 179.77, 180.1101, 180.1104, 181.1101 or 183.1201 in the same manner as the merger is treated for federal tax purposes.

Section 15. Again, proposed sec. 179.77 provides that all of the property of the merging entities is vested in the surviving entity without reversion or impairment. However, to permit local taxing authorities to maintain proper records and to prevent avoidance of real estate transfer taxes, this subsection should have the following language added:

Joe

If any merging business entity owns any Wisconsin real estate on the effective date of the merger, all such entities shall execute conveyances of such Wisconsin real estate in recordable form, together with prescribed real estate transfer fee forms, and the surviving business entity shall cause said conveyances to be recorded promptly in the office of the Register of Deeds for the county or counties in which said real estate is located.

Similar additions should be made to proposed secs. 180.1106(1)(b), 181.1106(2) and 183.1205(2). Again, similar language should also be added to subch. II of ch. 77 for *Joe* clarity's sake.

Additional Proposed amendments to LRB 3724/P2 from Amy Algiers, Meissner Tierney Fisher & Nichols SC:

1. Page 17, line 3: Delete "or" between "shares" and "interests".

This is suggested to match the language under s. 181.1101(2)(d).

2. Page 33, line 19: After "merger", delete "takes" and insert "is to take".

This is suggested to match the language under s. 180.1105(1)(c).

3. Page 33, line 22: After 181.1195(6), delete "OTHER MATTERS. Any " and capitalize "Other".

This is suggested to match s. 180.1105

No, Need

4. Page 37, line 1: Insert a comma after "conversion".

This is suggested to match s. 180.1161.

5. Page 54, line 11: Insert "other" between "or" and "similar".

This is suggested to match other chapters.

Marchant, Robert

From: Roys, Lisa
Sent: Wednesday, October 24, 2001 3:35 PM
To: Marchant, Robert
Subject: Next Economy questions

Answers to your questions on the Next Economy package:

~~1) The paper differential should only apply to the filings in our corporate section. I think this would include Chapters 178 through 185.~~

~~2) Electronic filing under Chapter 180 should probably be consistent with the other changes. The goal is to not be preempted in any way.~~

I'm working on a conference call between the State Bar team and Revenue for either tomorrow or Friday. Unless you want to listen in, I'll let you know what happens.

Lisa Roys

Policy Advisor, DFI
(608) 266-0450



**WISCONSIN LEGISLATIVE COUNCIL
STAFF MEMORANDUM**

TO: SENATOR MARK MEYER

FROM: Don Dyke, Senior Staff Attorney *DD*

RE: Reorganization of Corporation With Capital Stock as Ch. 181 Corporation

DATE: August 21, 2001

Your office asks for background information concerning s. 180.1709, Stats., relating to the reorganization of a domestic corporation with capital stock as a ch. 181 nonstock corporation. The section authorizes a domestic corporation with capital stock but not organized for profit that was formed before July 1, 1953, to elect to become subject to ch. 181 by following the procedure set forth in the section.

Section 180.1709 was enacted by 1989 Wisconsin Act 303 as part of a comprehensive recodification of business corporation law, developed by the State Bar of Wisconsin. The predecessor to the provision, s. 180.975, 1987-88 Stats., was enacted by 1987 Wisconsin Act 399 as part of the Budget Review Act. [See SECTIONS 403q and 403r, 1987 Wisconsin Act 399 (the latter SECTION is attached).] Section 180.975 was clearly directed to authorizing a particular corporation to make the conversion permitted under the statute.

As part of the ch. 180 recodification, former s. 180.975 was retained but in simplified form. [See, in addition to current s. 180.1709, s. 180.1703 (2), Stats.] Authoritative commentary on the recodification of ch. 180 states: "Section 180.1709 permits nonprofit corporations with capital stock formed before July 1, 1953, to reorganize as nonstock corporations under ch. 181. The section is taken from former s. 180.975 (3)." [Christopher S. Berry, Kenneth B. Davis, Jr., Frank C. DeGuire and Clay R. Williams, Wisconsin Business Corporation Law (1992), at 17-25 and 17-26.] There is no indication in that source why the provision was included in the recodified chapter or why the July 1, 1953 date was retained.

According to your office, it has been proposed that s. 180.1709 be amended to eliminate the qualification that a corporation eligible to use the section have been formed before July 1, 1953; i.e., any domestic corporation with capital stock but not organized for profit, regardless of when formed, would be able to utilize the reorganization procedure under this section. It is suggested that you consider consulting with the Business Law Section of the State Bar of Wisconsin for comment on the

ramifications of the proposed amendment. (Please contact me if you need assistance in this regard.) You also may wish to consider consulting with the Department of Financial Institutions concerning the proposed amendment.

If you have any questions or need additional information, please contact me directly at the Legislative Council Staff offices.

DD:jal:wu;tlu

Attachment

REQUESTED STATUTORY CHANGE

180.1709 Reorganization as ch. 181 corporation. Any domestic corporation with capital stock but not organized for profit, ~~that was formed before July 1, 1953,~~ may elect to become subject to ch. 181 by adopting restated articles of incorporation that conform with ch. 181, by the affirmative vote of the holders of two-thirds of all outstanding shares and of each class or series of outstanding shares. The domestic corporation shall file and record the restated articles of incorporation and, upon such filing, the domestic corporation shall be subject to ch. 181 and shall cease to be subject to this chapter. The shareholders shall be entitled to the same notice of the proposed action and shall have the same rights to object and to receive the fair value of their shares, as are provided in ss. 180.1301 to 180.1331 in respect to a sale of all assets, unless such receipt is inconsistent with the domestic corporation's articles of incorporation that were in effect before the restatement.

revisions to ch. 180

- Bar drafted language to allow mergers between 180's + non-profits

Jenny Boese
250-6045

Marchant, Robert

From: Champagne, Rick
Sent: Wednesday, October 24, 2001 9:12 AM
To: Marchant, Robert
Subject: FW: LRB 3724 - Next Economy

Rob -- Do you want to put this in the drafting file?

-----Original Message-----

From: Roys, Lisa
Sent: Friday, October 12, 2001 8:31 AM
To: Champagne, Rick
Subject: RE: LRB 3724 - Next Economy

Only the merger provisions of LRB 1746 should be incorporated. All of the other issues will be introduced in a separate bill. I apologize for the confusion.

I'll ask the authors what they want to do.

-----Original Message-----

From: Champagne, Rick
Sent: Friday, October 12, 2001 8:19 AM
To: Roys, Lisa
Subject: RE: LRB 3724 - Next Economy

I am planning on working on the document today and Saturday. If you only want the changes in LRB-3724, I can have it ready for a Thursday hearing; if you also want the changes from LRB-1746 incorporated into LRB-3724, I can't promise it for Thursday. The reason is that the two documents together are about 80 pages and it appears that there is conceptual overlap between the two drafts that needs a very close look. Some of the items in LRB-1746 were already dealt with in the budget bill, such as the fees, and some of the items in LRB-1746 will need to be reworked in light of LRB-3724. Let me know if you want to go at this juncture only with the changes in LRB-3724.

-----Original Message-----

From: Roys, Lisa
Sent: Thursday, October 11, 2001 4:23 PM
To: Champagne, Rick
Subject: RE: LRB 3724 - Next Economy

Do you have any time frame in mind for this? Speaker Jensen is interested in holding a hearing on the bill next Thursday.

-----Original Message-----


From: Roys, Lisa
Sent: Tuesday, October 09, 2001 4:09 PM
To: Marchant, Robert; Champagne, Rick
Cc: Anderson, David; Grosenheider, Terry
Subject: LRB 3724 - Next Economy

We have reviewed your drafting notes for LRB 3724 and believe the suggested language under items, one, two, six, seven, and nine through 13 are fine.

As we discussed on Friday, under item three, the language under 179.04 (1)(b) and 179.82 should be consistent with other sections that have the same requirements.

Under item eight, "period of its duration" refers to the duration of the foreign corporation specified in their articles of incorporation (if not perpetual). Jennifer Unitan, Corporations Section Director, would be able to answer any additional questions on this subject. (264-7814)

As to your questions regarding the federal Electronic Signatures in Global and National Commerce Act (E-sign) problems, we agree with your suggested modifications to the draft. Our intent is not to be pre-empted nor conflict with the federal act.

 Tom Nichols submitted additional changes that should be incorporated in the draft. The fee for filing a merger

document should be \$150.

ADDITIONAL ISSUES:

The Department requests the addition of the following provisions:

- 1) A delayed effective date for the merger and conversion provisions of six months from the date of publication.
- 2) The general authority for the Department to add a fee (established by rule) for documents filed with the department by paper. *Base assn. fees or all fees?*
- 3) An appropriation of \$821,600 in FY 2002 for the purposes of updating the corporate registration system to handle new transactions for consolidations and mergers, permit viewing of images, and allow on-line access with secure processing of transactions.

Thank you.

Lisa Roys
Policy Advisor, DFI
(608) 266-0450

Marchant, Robert

From: Marchant, Robert
Sent: Monday, September 10, 2001 10:30 AM
To: Roys, Lisa
Cc: Champagne, Rick
Subject: Next economy package

Hello, Lisa--

I have been working on drafting the next economy package DFI requested. For the most part the draft appears to be straightforward, but I have encountered a significant issue regarding electronic filing that needs to be resolved. For purposes of discussion, I will use the language proposed for s. 178.46 (3m).

This proposed language may be preempted by the federal Electronic Signatures in Global and National Commerce Act (E-sign), which is current law in Wisconsin and which validates electronic methods of doing business. Although it is not entirely clear what the state may impose by way of electronic filing requirements under E-sign, 15 USC 7002 (a) (2) seems to say that, in order to survive preemption, proposed s. 178.46 (3m) must specify alternative procedures or requirements for the use or acceptance of electronic records or signatures to establish the legal effect of contracts or other documents. Among other things, the alternative procedures or requirements must be consistent with Titles I and II of E-sign and must be technology neutral. Also, the state enactment must specifically refer to E-sign. The proposed definitions for "electronic transmission" and "sign" are not consistent with the definitions used in E-sign and, thus, may be preempted. (But see 15 USC 7004 (a), which says ". . . nothing in this title limits or supercedes any requirement by a . . . State regulatory agency that records be filed with such agency . . . in accordance with specified standards or formats." It is unclear whether a statute would qualify as a "requirement by a state regulatory agency".) In order to avoid this issue altogether, you may want to change the language of your proposed definitions so that they are the same as those used for "electronic" and "electronic signature" under E-sign (see 15 USC 7006 (2) and (5)) and you may want to include a non-stat that specifically refers to E-sign. Although the definitions under E-sign have their own problems, using them would at least reduce the chance that your electronic filing standards would be preempted.

Please let me know how you would like to proceed with regard to this issue and please feel free to call if you have any questions.

Robert J. Marchant
Legislative Attorney
State of Wisconsin Legislative Reference Bureau
608-261-4454

Marchant, Robert

From: Champagne, Rick
Sent: Wednesday, September 05, 2001 1:20 PM
To: Marchant, Robert
Subject: FW: Next Economy Package

-----Original Message-----

From: Roys, Lisa
Sent: Wednesday, September 05, 2001 12:50 PM
To: Champagne, Rick
Cc: Anderson, David
Subject: Next Economy Package

This is the request we discussed several weeks ago. You had asked me to hold off with the request until the budget was completed. So, here it is!

Please prepare a draft for introduction that includes all of the following:

1) Merger & LLC dissolution language: Attorney Tom Nichols has additional suggested changes to the attached draft. He faxed those changes to you during the budget process. He can be reached at 414/273-1300 or tjn@mtfn.com



01b1988/1

2) DFI Proposed Changes



DFI Proposed CCS
Changes.doc

Securities Draft



01b1570/2

Tax language:

Create a new subsection in sections 71.80 (income taxes), 77.26 (real estate transfer fee), and 77.61 (sales and use taxes) to read as follows:

Notwithstanding any other provisions in sections 180.1161 and 183.1207, a converting entity shall be subject to the tax provisions applicable to liquidations, reorganizations, and formations of business entities.

In section 73.03 (duties of the DOR), create a new subsection to read as follows:

Notwithstanding any other provisions in sections 180.1161 and 183.1207, to subject a converting entity to the tax provisions applicable to liquidations, reorganizations, and formations of business entities.

Feel free to discuss this drafting request with Mr. Nichols or other members of the Bar Association, Representatives Jeskewitz, Vrakas and Plale and/or Senators Meyer and Cowles.

Thank you.

Lisa Roys

Policy Advisor, DFI
(608) 266-0450

Marchant, Robert

From: Roys, Lisa
Sent: Monday, November 12, 2001 4:52 PM
To: Marchant, Robert; Champagne, Rick
Subject: Final Drafting Instructions

Below are the final drafting instructions for the Next Economy legislation (LRB 3724/1). I have indicated to all parties that if there are any additional modifications, that they must be addressed during the legislative process.

-----Original Message-----

From: Zimmer, Mark S
Sent: Friday, November 09, 2001 3:54 PM
To: Ourada, Thomas D; Held, Carol L
Subject: Revised Draft of Next Economy Bill

The only problem that I'm seeing (beyond what has already been hashed through) is that section 4 should have the language dealing with conversions removed; as it stands, it now contradicts section 6 since there is no requirement in section 4 that the conversion have identical ownership interests before and after. The new 77.25(6m) covers the situation completely.

JK From DOR -

- 1) Page 9, line 9: Delete the underlined language relating to conversions. ? See explanation above.
- 2) Page 27, lines 11 and 14: Change "includes" to "means."
- 3) Page 43, lines 10 and 13: Change "includes" to "means."
- 4) Page 65, lines 19 and 22: Change "includes" to "means."

From DFI -

- 1) Change the filing fee for a merger of a cooperative to \$30. I believe this is page 74, line 16.
- 2) Remove the \$10 resignation fee for an agent

ARC:.....Hartsough – AM48, Securities registration exemptions

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 1156, line 6: after that line insert:

3 “SECTION 3608d. 551.02 (1) of the statutes is renumbered 551.02 (1r).

4 SECTION 3608f. 551.02 (1g) of the statutes is created to read:

5 551.02 (1g) “Accredited investor” has the meaning given in 17 CFR 230.501(a).

6 SECTION 3608h. 551.23 (8) (g) of the statutes is amended to read:

7 551.23 (8) (g) ~~An individual accredited investor, as defined by rule of the~~
8 ~~division, if the issuer reasonably believes immediately before the sale that the~~
9 ~~individual accredited investor, either alone or with the individual accredited~~
10 ~~investor’s representative, has such knowledge and experience in financial and~~

1 ~~business matters as to be capable of evaluating the merits and risks of the~~
2 ~~prospective investment.~~

3 **SECTION 3608j.** 551.23 (10) of the statutes is amended to read:

4 551.23 (10) Any offer or sale of its securities by an issuer having its principal
5 office in this state, if the aggregate number of persons holding directly or indirectly
6 all of the issuer's securities, after the securities to be issued are sold, does not exceed
7 ~~15~~ 25, exclusive of persons under sub. (8), if no commission or other remuneration
8 is paid or given directly or indirectly for soliciting any person in this state, except to
9 broker-dealers and agents licensed in this state, and if no advertising is published
10 unless it has been permitted by the division.

11 **SECTION 3608L.** 551.23 (11) (a) of the statutes is amended to read:

12 551.23 (11) (a) Any transaction pursuant to an offer directed by the offeror to
13 not more than ~~10~~ 25 persons in this state, excluding persons exempt under sub. (8)
14 but including persons exempt under sub. (10), during any period of 12 consecutive
15 months, whether or not the offeror or any of the offerees is then present in this state,
16 if the offeror reasonably believes that all the persons in this state are purchasing for
17 investment, and no commission or other remuneration is paid or given directly or
18 indirectly for soliciting any person in this state other than those exempt by sub. (8).

19 **SECTION 3608n.** 551.31 (1) (d) of the statutes is created to read:

20 551.31 (1) (d) An agent who is acting exclusively as an agent representing an
21 issuer of securities and who makes offers and sales of the issuer's securities in
22 transactions that are exempt under s. 551.23 (8) (g) or under a rule of the division
23 promulgated under s. 551.23 (18) that specifically exempts transactions involving

1 accredited investors and that is based on a model accredited investor exemption
2 adopted by the North American Securities Administrators Association.”.

3 (END)

ARC:.....Hartsough – AM48, Securities registration exemptions
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION
CAUCUS ASSEMBLY AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
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9 ~~individual accredited investor, either alone or with the individual accredited~~
10 ~~investor’s representative, has such knowledge and experience in financial and~~

1 ~~business matters as to be capable of evaluating the merits and risks of the~~
2 ~~prospective investment.~~

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5 office in this state, if the aggregate number of persons holding directly or indirectly
6 all of the issuer's securities, after the securities to be issued are sold, does not exceed
7 ~~15~~ 25, exclusive of persons under sub. (8), if no commission or other remuneration
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13 not more than ~~10~~ 25 persons in this state, excluding persons exempt under sub. (8)
14 but including persons exempt under sub. (10), during any period of 12 consecutive
15 months, whether or not the offeror or any of the offerees is then present in this state,
16 if the offeror reasonably believes that all the persons in this state are purchasing for
17 investment, and no commission or other remuneration is paid or given directly or
18 indirectly for soliciting any person in this state other than those exempt by sub. (8).

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23 promulgated under s. 551.23 (18) that specifically exempts transactions involving

1 accredited investors and that is based on a model accredited investor exemption
2 adopted by the North American Securities Administrators Association.”.

3 (END)

DFI PROPOSED BUSINESS ORGANIZATION STATUTE CHANGES

August 2001

1. Registered limited liability partnerships ("LLP"), which now include several major law firms, are not qualified under Chs. 179, 180, 181 and 183 to act as registered agent. Under the proposed changes, LLP's would be allowed to act as registered agent for corporations, nonstock corporations, limited partnerships and limited liability companies. This responds to an emerging interest in utilizing the LLP as registered agent for its corporate clients.

(Ref: 178.43(1); 179.04; 179.82; 180.0501; 180.1507; 181.0501; 181.1507 and 183.0105)

2. Subsections 178.49(1), 180.0123(1) and 183.0111(1) provide that a document delivered for filing is effective at the close of business on the date it is received, unless the document specifies a time of day as its effective time. Accordingly, the department's endorsement of the time of receipt of a document has no function in setting an effective time for a document. Eliminating this requirement would make treatment of these documents consistent with the treatment of documents under Chapter 181 of the Wisconsin Statutes, repealed and recreated effective 1 Jan 1999.

Efficient bulk processing of incoming documents is impeded where manual intervention is necessary to recognize multiple receipt times during a single workday. Under the changes proposed, the department would be relieved of this burden which serves no operational purpose. The capacity for organizers of a new entity, or for an existing entity, to specify a time of day in a document as its effective time **would continue exactly as provided under the present law.**

(Ref: 178.51(1); 180.0125(1) and 183.0110(1))

3. Under present law, articles of dissolution are not required to set forth the number of directors or incorporators voting for or against dissolution. In the interest of simplifying the content required for articles of dissolution, the proposed change eliminates the requirement to recite the number of members and their votes for and against dissolution and provides that it shall be sufficient to state that the members approved dissolution by a sufficient vote of each class of members entitled to vote on dissolution. The intent of this change is to make it less burdensome for nonstock corporations to file articles of dissolution.

(Ref. 181.1403)

4. A person may be named as registered agent for corporation, limited liability company, limited partnership or a limited liability partnership without their concurrence or even their knowledge. Provisions exist in Chs. 180, 181, 183 and 185 to allow a person to unilaterally resign their position as registered agent for a corporation, limited liability company or cooperative association. No comparable provisions exist, however, in Chs. 178 and 179 to allow a person to unilaterally resign as registered agent for a limited partnership or a limited liability partnership.

Unless the partnership makes a formal filing with the department to appoint a replacement agent, the current agent is saddled with the administrative burden imposed by the receipt and disposition of communications and service of process directed to the limited partnership or limited liability partnership. Even though a registered agent may wish to sever relations with the partnership, the registered agent has no independent means of doing so under present law. This proposal would provide such means.

(Ref. 178.43(1) and 179.015)

5. Prior to a change in policy regarding payment of fees via credit card, an application for a Telephone Name reservation was acted on without first collecting the fee. The completed application was conveyed to the applicant as an acknowledgement of the disposition of the application and as a invoice for the service fee. Now that the department may accept payments via credit card, there is no operational need to create a receivable for this program. Conducting a receivables activity to support this program is cumbersome, labor-intensive and unnecessary. The department seeks removal of the statutory provisions requiring it.

(Ref. 180.0402(1); 181.0402(1) and 183.0104(1))

6. The document signature requirements and delivery methods set in Ch. 180 explicitly describe and provide for execution and transmission of instruments in electronic format. This proposal implants similar provisions in Chs. 178, 179, 181 and 183 of the statutes.

(Ref. 178.46 (3m); 179.14 (2m); 181.0103 (7), (10m) and (23); 183.0107 (2m) and 183.0108 (2m))

7. Under present law, a foreign corporation, foreign nonstock corporation, or foreign limited liability company may apply for an amended certificate of authority if it changes its state of incorporation or organization. A change in state of incorporation may also occasion a change in the date of incorporation or organization of the entity. The proposed changes will accommodate those circumstances by expressly providing that a licensed foreign entity may apply for an amended certificate of authority on the basis of either a change in the date of incorporation/organization or the state of incorporation/organization, or both.

(Ref. 180.1504 (1) (b); 181.1504 (1) (b); and 183.1006 (1) (b).

~~8.~~ Sections 180.1421, 180.1531 and 183.1021 require that the department shall “serve” a domestic or foreign entity with notice of grounds for administrative dissolution or revocation for certificate of authority. One may read the provisions in chs. 180 and 183 relating to service of process, notice or demand to require **physical** service on the corporation’s registered agent.

A supplement has been added (05-01-01) with suggested statutory modifications that would allow the department to **give notice**, rather than **serve**, notices of grounds for administrative dissolution or revocation of certificate of authority. The modifications would align with the department’s current practice with respect to its manner of giving notice to entities incidental to its administrative dissolution and revocation programs.

Attachment A: Proposed Statutory Language

SECTION 178.43 178.43 of the statutes is repealed and recreated to read:

178.43 (1) A registered limited liability partnership and foreign registered limited liability partnership shall continuously maintain in this state a registered office and registered agent. The registered office may be the same as any of the partnership's places of business. The registered agent shall be any of the following:

(a) A natural person who resides in this state and whose business office is identical with the registered office.

(b) A domestic corporation, nonstock corporation, limited liability company, limited partnership or registered limited liability partnership.

(c) a foreign corporation, foreign limited liability company, foreign limited partnership or foreign registered limited liability partnership if that entity is authorized to transact business in this state and the entity's business office is identical with the registered office.

(2) The registered agent of a registered limited liability partnership or a foreign registered limited liability partnership may resign as registered agent by delivering to the department for filing a written statement that includes all of the following information:

(a) The name of the registered limited liability partnership or foreign registered limited liability partnership for which the registered agent is acting.

(b) The name of the registered agent.

(c) The street address of the registered limited liability partnership or foreign registered limited liability partnership's current registered office and the mailing address of its current principal office.

(d) A statement that the registered agent resigns.

(e) If applicable, a statement that the registered office is also discontinued.

(3) After the filing of a statement under sub. (2), the department shall mail a copy of the statement to the registered limited liability partnership or foreign registered limited liability partnership at its principal office address indicated in the statement.

SECTION _____ 178.46 (3m) of the statutes is created to read:

178.46 (3m) In this section:

(a) "Delivered" means delivered by any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery or electronic transmission.

(b) "Electronic transmission" means internet transmission, telephonic transmission, electronic mail transmission of a telegram, cablegram or datagram or any other form or process of communication that does not directly involve the physical transfer of paper and that is suitable for the retention, retrieval and reproduction by the recipient.

(c) "Sign" includes any manual, facsimile, conformed or electronic signature or any symbol executed or adopted by a party with present intention to authenticate a writing or electronic transmission.

SECTION ✓ _____ 178.51 (1) of the statutes is amended to read:

178.51 (1) Upon receipt of a document by the department for filing, the department shall stamp or otherwise endorse the date ~~and time~~ of receipt on the original document copy and, upon request, any additional document copy received. The department shall return any additional document copy to the person delivering it, as confirmation of the date ~~and time~~ of receipt.

SECTION ✓ _____ 179.015 of the statutes is created to read:

179.015 RESIGNATION OF AGENT FOR SERVICE OF PROCESS (1) An agent for service of process may resign by executing and filing with the department a statement, in duplicate, setting forth all of the following:

(a) The name of the domestic or foreign limited partnership for which the agent is acting.

(b) The name of the agent.

(c) The agent's current street address and the address of the domestic limited partnership's record office or the address of the foreign limited partnership's office in its state of organization.

(d) That the agent resigns.

(2) Such statement shall be executed by the agent for service of process.

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(3) The department shall note on one of the duplicates the date of filing and mail the same to the limited partnership at its record office address or principal office address indicated in the statement.

(4) The resignation is effective on the earlier of the following:

(a) Thirty days after the statement is filed with the department.

(b) The date on which the appointment of a successor agent is effective.

SECTION ✓ 179.03 (2) of the statutes is amended to read:

179.03 (2) The reservation shall be made by filing with the department an application executed by the applicant to reserve a specified name together with a fee of \$10, or making a telephone application to reserve a specified name. The fee for a telephone application to reserve a specified name for 60 days is \$20. If the department finds that the name is available for use by a domestic limited partnership or a foreign limited partnership, the department shall reserve the name for the exclusive use of the applicant for a period of 60 days. ~~The department shall cancel the telephone application to reserve a specified name if the department does not receive the proper fee within 15 business days after the application. Once having reserved a name, the same applicant may not again reserve the same name until more than 60 days after the expiration of the last 60 day period for which the applicant reserved that name.~~ The right to exclusive use of a reserved name may be transferred to any other person by filing with the department, together with a fee of \$10, a notice of transfer executed by the applicant for whom the name was reserved and specifying the name and address of the transferee.

SECTION ✓ 174.04 (1) (b) of the statutes is amended to read:

179.04 (1) (b) An agent for service of process on the limited partnership, which agent must be an individual resident of this state, a domestic corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company, or a foreign corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company authorized to transact business in this state and whose address is identical with the business office of the agent.

SECTION 179.14 (2m) of the statutes is created to read:

179.14 (2m) In this section, "sign" or "signed" includes any manual, facsimile, conformed or electronic signature or any symbol executed or adopted by a party with present intention to authenticate a writing or electronic transmission.

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Hold

SECTION _____ 179.16 (1m) of the statutes is created to read:

179.16 (1m) In this section:

(a) "Delivered" means delivered by any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery or electronic transmission.

(b) "Electronic transmission" means internet transmission, telephonic transmission, electronic mail transmission of a telegram, cablegram or datagram or any other form or process of communication that does not directly involve the physical transfer of paper and that is suitable for the retention, retrieval and reproduction by the recipient.

SECTION ✓ 179.82 (4) of the statutes is amended to read:

179.82 (4) The name and address of an agent for service of process on the foreign limited partnership, who must be an individual resident of this state, a domestic corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company, or a foreign corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company having a place of business and authorized to do transact business in this state and whose address is identical with the business office of the agent.

SECTION ✓ 179.88 of the statutes is amended to read:

179.88 SUBSTITUTED SERVICE. Service of process on the department under this subchapter shall be made by serving of duplicate copies of the process on the department, together with a fee of \$10. The department shall mail notice of the service and a copy of the process within 10 days addressed to the foreign limited partnership at its office in the state of its organization or its principal office, as appearing on the records of the department from information supplied under s. 179.82(6). The time within which the foreign limited partnership may answer or move to dismiss under s. 802.06(2) does not start to run until 10 days after the date of the mailing. The department shall keep a record of service of process under this section showing the day and hour of service and the date of mailing.

SECTION ✓ 180.0125 (1) of the statutes is amended to read:

180.0125 (1) Upon receipt of a document by the department of financial institutions, the department shall stamp or otherwise endorse the date ~~and time~~ of receipt on the original, the document copy and, upon request, any additional document copy received. The department shall return any additional document copy to the person delivering it, as confirmation of the date ~~and time~~ of receipt.

SECTION 180.0402 (1) of the statutes is amended to read:

180.0402 (1) A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose name is not available, by delivering an application to the department for filing or by making a telephone application. The application shall include the name and address of the applicant and the name proposed to be reserved. If the department finds that the corporate name applied for under this subsection is available, the department shall reserve the name for the applicant's exclusive use for a 120 day period, which may be renewed by the applicant or a transferee under sub. (2) from time to time. ~~If an application to reserve a name or to renew a reserved name is made by telephone, the department shall cancel the reservation or renewal if the department does not receive the fee required under s. 180.0122 (1) (e) or (f) within 15 business days after the application is made.~~

SECTION 180.0501 (2) of the statutes is amended to read:

180.0501 (2) A domestic corporation, a nonstock corporation, a limited liability partnership, a registered limited liability partnership, or a limited liability company incorporated, registered, or organized in this state, whose business office is identical with the registered office.

SECTION 180.0501 (3) of the statutes is amended to read:

180.0501 (3) A foreign corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company authorized to transact business in this state whose business office is identical with the registered office.

SECTION 180.1504 (1) of the statutes is amended to read:

180.1504 (1) A foreign corporation authorized to transact business in this state shall obtain an amended certificate of authority from the department if ~~it~~ the foreign corporation changes any of the following:

SECTION 180.1504 (1) (b) of the statutes is amended to read:

180.1504 (1) (b) Its date of incorporation or the period of its duration.

SECTION 180.1507 (2) of the statutes is amended to read:

180.1507 (2) A domestic corporation, a nonstock corporation, a limited partnership, registered limited liability partnership or a limited liability company incorporated, registered, or organized in this state, whose business office is identical with the registered office.

SECTION ✓ 180.1507 (3) of the statutes is amended to read:

180.1507 (3) A foreign corporation, nonstock corporation, limited partnership, registered limited liability partnership or limited liability company authorized to transact business in this state, whose business office is identical with the registered office.

SECTION _____ 181.0103 (7) of the statutes is repealed and recreated to read:

181.0103 (7) "Deliver" or "delivery" means any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery or electronic transmission.

SECTION _____ 181.0103 (10m) of the statutes is created to read:

181.0103 (10m) "Electronic transmission" or "electronically transmitted" means internet transmission, telephonic transmission, electronic mail transmission of a telegram, cablegram or datagram or any other form or process of communication that does not directly involve the physical transfer of paper and that is suitable for the retention, retrieval and reproduction of information by the recipient.

SECTION _____ 181.0103 (23) of the statutes is repealed and recreated to read:

181.0103 (23) "Signed" or "signature" includes any manual, facsimile, conformed or electronic signature or any symbol executed or adopted by a party with present intention to authenticate a writing or electronic transmission.

SECTION ✓ 181.0402 (1) of the statutes is amended to read:

181.0402 (1) RESERVATION OF NAMES. A person may reserve the exclusive use of a corporate name, including a fictitious name for a foreign corporation whose name is not available, by delivering an application to the department for filing or by making a telephone application. The application shall include the name and address of the applicant and the name proposed to be reserved. If the department finds that the corporate name applied for under this subsection is available, the department shall reserve the name for the applicant's exclusive use for a 120-day period, which may be renewed by the applicant or a transferee under sub. (2) from time to time. ~~If an application to reserve a name or to renew a reserved name is made by telephone, the department shall cancel the reservation or renewal if the department does not receive the fee required under s. 181.0122 (1) (e) or (f) within 15 business days after the application is made.~~

*12/12/08
Per email
WAT DEI Report*

SECTION 181.0501 (2) of the statutes is amended to read:

181.0501 (2) Domestic Entities. A domestic corporation, stock corporation, limited partnership, registered limited liability partnership, or limited liability company, incorporated, registered or organized in this state, whose business office is identical with the registered office.

SECTION 181.0502 (3) of the statutes is amended to read:

181.0502 (3) Foreign Entities. A foreign corporation, stock corporation, limited partnership, registered limited liability partnership, or limited liability company, authorized to transact business in this state, whose business office is identical with the registered office.

SECTION 181.1403 (1) (e) of the statutes is repealed and recreated to read:

181.1403 (1) (e) If approval by members is required, a statement that dissolution was approved by a sufficient vote of the members of each class entitled to vote on dissolution.

SECTION 181.1504 (1) (b) of the statutes is amended to read:

181.1504 (1) (b) Its date of incorporation or the period of its duration.

SECTION 181.1507 (2) of the statutes is amended to read:

181.1507 (2) Domestic Entities. A domestic corporation, stock corporation, limited partnership, registered limited liability partnership, or limited liability company, incorporated, registered or organized in this state, whose business office is identical with the registered office.

SECTION 181.1507 (3) of the statutes is amended to read:

181.1507 (3) Foreign Entities. A foreign corporation, stock corporation, limited partnership, registered limited liability partnership, or limited liability company, authorized to transact business in this state, whose business office is identical with the registered office.

SECTION 183.0104 (1) of the statutes is amended to read:

183.0104 (1) A person may reserve the exclusive use of limited liability company name, including a fictitious name for a foreign limited liability company whose name is not available, by delivering an application to the department for filing or by making a telephone application. The application shall include the applicant's name and address

and the name proposed to be reserved. If the department finds that the name applied for under this subsection is available, the department shall reserve the name for the applicant's exclusive use for a 120-day period, which may be renewed by the applicant or a transferee under sub. (2) from time to time. ~~If an application to reserve or renew a reserved name is made by telephone, the department shall cancel the reservation or renewal if the department does not receive the fee required under s. 183.0114 (1) (e) or (f) within 10 business days after the day on which the application was made.~~

SECTION ✓ 183.0105 (1) (b) of the statutes is amended to read:

183.0105 (1) (b) A domestic corporation, ~~a domestic~~ limited liability company, limited partnership, registered limited liability partnership, or a nonstock corporation organized or registered in this state, whose business office is identical with the registered office.

SECTION ✓ 183.0105 (1) (c) of the statutes is amended to read:

183.0105 (1) (c) A foreign corporation, nonstock corporation, limited partnership, registered limited liability partnership or ~~foreign~~ limited liability company ~~that is~~ authorized to transact business in this state and whose business office is identical with the registered office.

SECTION 183.0107 (2m) of the statutes is created to read:

183.0107 (2m) In this section, "sign" or "signature" includes any manual, facsimile, conformed or electronic signature or any symbol executed or adopted by a party with present intention to authenticate a writing or electronic transmission.

SECTION 183.0108 (2m) of the statutes is created to read:

183.0108 (2m) In this section:

(a) "Delivered" means delivered by any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery or electronic transmission.

(b) "Electronic transmission" means internet transmission, telephonic transmission, electronic mail transmission of a telegram, cablegram or datagram or any other form or process of communication that does not directly involve the physical transfer of paper and that is suitable for the retention, retrieval and reproduction by the recipient.

SECTION ✓ 183.0110 (1) of the statutes is amended to read:

183.0110 (1) Upon receipt of a document by the department for filing under this chapter, the department shall stamp or otherwise endorse the date ~~and time~~ of receipt on

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the original, the document copy and, upon request, any additional document copy received. The department shall return any additional document copy to the person delivering it, as confirmation of the date ~~and time~~ of receipt.

SECTION ✓ 183.1006 (1) (a) of the statutes is amended to read:

183.1006 (1) (a) Its name or the fictitious name under which it has been issued a certificate of registration.

SECTION ✓ 183.1006 (1) (b) of the statutes is amended to read:

183.1006 (1) (b) The state or jurisdiction under whose laws it is organized or its date of organization.

Legislative Proposals (2001)

WORKSHEET

178.43 (1)
178.46 (3m)
178.51 (1)

179.015
179.03 (2)
179.04 (1) (b)
179.14 (2m)
179.16 (1m)
179.82 (4)
179.88

180.0125 (1)
180.0402 (1)
180.0501 (2) & (3)
180.1504 (1)
180.1504 (1) (b)
180.1507 (2) & (3)

181.0103 (7); (10m) and (23)
181.0402 (1)
181.0501 (2) & (3)
181.1403 (1) (e)
181.1504 (2)
181.1507 (2) & (3)

183.0104 (1)
183.0105 (1) (b) and (c)
183.0107 (2m)
183.0108 (2m)
183.0110 (1)
183.1006 (1) (a) and (b)

SUPPLEMENTAL PROVISIONS (Item 8)

CHAPTER 180

SECTION 2 180.1421 (1) of the statutes is amended to read:

180.1421 (1) If the department determines that one or more grounds exist under s. 180.1420 for dissolving a corporation, the department shall ~~serve~~ give the corporation under s. ~~180.0504~~ 180.0141 with written notice of the determination, addressed to its registered office.

SECTION ✓ 180.1421 (2) (a) of the statutes is amended to read:

180.1421 (2) (a) Within 60 days after ~~service of the~~ notice is perfected effective under s. ~~180.0504~~ 180.0141, the corporation shall correct each ground for dissolution or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist.

SECTION ✓ 180.1421 (2) (b) of the statutes is amended to read:

180.1421 (2) (b) If the corporation fails to satisfy par. (a), the department shall administratively dissolve the corporation ~~by issuing a certificate of dissolution which recites each ground for dissolution and its effective date.~~ The department shall file the original and serve a copy on the corporation under s. 180.0504, mark its records to reflect each ground for dissolution and the effective date of dissolution, and give the corporation written notice under s. 180.0141 of those facts, addressed to the corporation at its registered office.

SECTION ✓ 180.1421 (2m) (a) of the statutes is created to read:

180.1421 (2m) (a) If a notice under sub. (1) or (2) is returned to the department as undeliverable, the department shall give notice to the corporation under s. 180.0141 addressed to its principal office.

SECTION ✓ 180.1421 (2m) (b) of the statutes is created to read:

180.1421 (2m) (b) If a notice under par. (a) is returned to the department as undeliverable, or if the corporation's principal office cannot be determined from the records of the department, the department shall provide the notice by publishing a class 2 notice, under ch. 985, in the official state newspaper.

SECTION _____ 180.1530 (1m) of the statutes is amended to read:

180.1530 (1m) If the department receives a certificate under sub. (1) (f) and a statement by the foreign corporation that the certificate is submitted by the foreign corporation to terminate its authority to transact business in this state, the department shall ~~issue a certificate of revocation~~ revoke the foreign corporation's certificate of authority under s. 180.1531 (2) (b).

SECTION _____ 180.1530 (2) of the statutes is amended to read:

180.1530 (2) A court may revoke under s. 946.87 the certificate of authority of a foreign corporation authorized to transact business in this state. The court shall notify the department of the action, and the department shall ~~issue a certificate of revocation~~ revoke the foreign corporation's certificate of authority under s. 180.1531 (2) (b).

SECTION _____ 180.1531 (1) of the statutes is amended to read:

180.1531 (1) If the department determines that one or more grounds exist under s. 180.1530 (1) for revocation of a certificate of authority, the department shall ~~serve~~ give the foreign corporation under s. ~~180.1510~~ 180.0141 ~~with~~ written notice of the determination, addressed to its registered office.

SECTION _____ 180.1531 (2) (a) of the statutes is amended to read:

180.1531 (2) (a) Within 60 days after ~~service of the~~ notice is ~~perfected~~ effective under s. ~~180.1510~~ 180.0141, the foreign corporation shall correct each ground for revocation or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist.

SECTION _____ 180.1531 (2) (b) of the statutes is amended to read:

180.1531 (2) (b) If the foreign corporation fails to satisfy par. (a), the department may revoke the foreign corporation's certificate of authority by ~~issuing a certificate of revocation that recites~~ marking its records to reflect each ground for revocation and its the effective date of revocation. The department shall ~~file the original of the certificate and serve a copy on~~ give the foreign corporation written notice under s. ~~180.1510~~ 180.0141 of each ground for revocation and the effective date of revocation, addressed to the corporation at its registered office.

SECTION _____ 180.1421 (2m) (a) of the statutes is created to read:

180.1531 (2m) (a) If a notice under sub. (1) or (2) is returned to the department as undeliverable, the department shall give notice to the foreign corporation under s. 180.0141 addressed to its principal office.

SECTION 1 180.1421 (2m) (b) of the statutes is created to read:

180.1531 (2m) (b) If a notice under par. (a) is returned to the department as undeliverable, the department shall provide the notice by publishing a class 2 notice, under ch. 985, in the official state newspaper.

SECTION 2 180.1531 (3) of the statutes is amended to read:

180.1531 (3) The authority of a foreign corporation to transact business in this state, other than as provided in s. 180.1501 (2), ends on the effective date shown on the certificate revoking of revocation of its certificate of authority as reflected on the records of the department.

SECTION 3 180.1532 (1) of the statutes is amended to read:

180.1532 (1) A foreign corporation may appeal the department's revocation of its certificate of authority under s. 180.1530 (1) to the circuit court for the county where the foreign corporation's principal office or, if none in this state, its registered office is located, within 30 days after service notice of the certificate of revocation is perfected effective under s. 180.1510. The foreign corporation shall appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its certificate of authority and the department's certificate notice of revocation.

CHAPTER 181

SECTION 1 181.1421(1) of the statutes is amended to read:

181.1421(1) NOTICE OF DETERMINATION. If the department determines that one or more grounds exist under s. 181.1420 for dissolving a corporation, the department shall give the corporation written notice of the department's determination by certified first-class mail, ~~return receipt requested~~, addressed to the corporation's registered agent and to the corporation's principal office, ~~as most recently designated on the records of the department.~~

SECTION _____ 181.1421 (2) of the statutes is repealed and recreated to read:

181.1421 (2) (a) If a notice under sub. (1) is returned to the department as undeliverable, the department shall give notice to the corporation at the corporation's principal office, as most recently designated on the records of the department.

181.1421 (2) (b) If a notice under par. (a) is returned to the department as undeliverable, or if the corporation's principal office cannot be determined from the records of the department, the department shall provide notice by publishing a class 2 notice, under c. 985, in the official state newspaper.

SECTION 181.1421 (4) (b) of the statutes is amended to read:

181.1421 (4) (b) If the corporation fails to satisfy par. (a), the department shall administratively dissolve the corporation ~~by issuing a certificate of dissolution that recites each ground and its effective date. The department shall file the original of the certificate and shall provide notice to mark its records to reflect each ground for dissolution and the effective date of dissolution and provide~~ give written notice to the corporation of ~~the certificate~~ those facts in the same manner as a notice of determination under subs. (1) and (2).

SECTION 181.1422 (2) (a) of the statutes is amended to read:

181.1422 (2) (a) The department shall cancel the ~~certificate~~ notice of dissolution and issue a certificate of reinstatement that complies with par. (b) if the department determines all of the following:

1. That the application contains the information required by sub. (1) and the information is correct.
2. That all fees and penalties owed by the corporation to the department under this chapter have been paid.

SECTION 181.1423 (2) of the statutes is amended to read:

181.1423 (2) TIME FOR APPEAL OF DENIAL. The corporation may appeal the denial of reinstatement to the circuit court for the county where the corporation's principal office or, if none in this state, its registered office is located, within 30 days after service of the notice of denial is perfected. The corporation shall appeal by petitioning the court to set aside the dissolution and attaching to the petition copies of the department's ~~certificate~~ notice of dissolution, the corporation's application for reinstatement and the department's notice of denial.

SECTION 181.1531 (1) of the statutes is amended to read:

181.1531 (1) NOTICE OF PROCEEDING BY DEPARTMENT. If the department determines that one or more grounds exist under s. 181.1510 (1) for revocation of a certificate of authority, the department shall ~~serve~~ give the foreign corporation ~~under s. 181.1510 with~~ written notice of the determination, addressed to the corporation's registered agent.

SECTION 181.1531 (2) (a) of the statutes is amended to read:

181.1531 (2) (a) With 60 days after service of the notice is ~~perfected~~ effective ~~under s. 181.1510~~, the foreign corporation shall correct each ground for revocation or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist.

SECTION 181.1531 (2) (b) of the statutes is amended to read:

181.1531 (2) (b) If the foreign corporation fails to satisfy par. (a), the department may revoke the foreign corporation's certificate of authority by ~~issuing a certificate of revocation that recites~~ marking its records to reflect each ground for revocation and the certificate's effective date of revocation and give written notice to the foreign corporation of those facts in the same manner as a notice of determination under subs. (1) and (2). ~~The department shall file the original certificate and serve a copy on the foreign corporation under s. 180.1510.~~

SECTION 181.1531 (2) (c) 1. of the statutes is amended to read:

181.1531 (2) (c) 1. If a foreign corporation's certificate of authority is revoked, the department shall reinstate the certificate of authority if the foreign corporation does all of the following within 6 months after the effective date of ~~the certificate of~~ revocation:

SECTION 181.1531 (2m) of the statutes is created to read:

181.1531 (2m) WHEN NOTICE EFFECTIVE. Written notice under this section is effective at the earliest of the following:

- (a) When received.
- (b) Five days after its deposit in the U.S. mail, if mailed post-paid and correctly addressed.
- (c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

(d) If a notice under sub. (1) or (2) is returned to the department as undeliverable, the department shall give notice to the foreign corporation at the foreign corporation's principal office, as most recently designated on the records of the department.

(e) If a notice under par. (d) is returned to the department as undeliverable, or if the foreign corporation's principal office cannot be determined from the records of the department, the department shall provide notice by publishing a class 2 notice, under ch. 985, in the official state newspaper.

SECTION 181.1531 (3) of the statutes is amended to read:

181.1531 (3) EFFECT OF REVOCATION. The authority of a foreign corporation to transact business in this state, ends on the effective date shown on the certificate revoking its certificate of authority of revocation, as reflected on the records of the department.

SECTION 181.1532 (1) of the statutes is amended to read:

181.1532 (1) RIGHT TO APPEAL. A foreign corporation may appeal the department's revocation of its certificate of authority under s. 181.1530(1) to the circuit court for the county where the foreign corporation's principal office or, if none exists in this state, its registered office is located, within 30 days after service of the effective date of the notice certificate of revocation is perfected under s. 181.1510. The foreign corporation shall appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its certificate of authority and the department's certificate notice of revocation.

CHAPTER 183

SECTION 183.1020 (2) of the statutes is amended to read:

183.1020 (2) If the department receives a certificate under sub. (1) (f) and a statement by the foreign limited liability company that the certificate is submitted by the foreign limited liability company to terminate its registration to transact business in this state, the department shall issue a certificate of revocation revoke the foreign limited liability company's certificate of registration under s. 183.1021 (2) (b).

SECTION 183.1020 (3) of the statutes is amended to read:

183.1020 (3) A court may revoke under s. 946.87 the certificate of registration of a foreign limited liability company registered to transact business in this state. The court shall notify the department of the action, and the department shall issue a certificate of revocation revoke the foreign limited liability company's certificate of registration under s. 183.1021 (2) (b).

SECTION 183.1021 (1) of the statutes is amended to read:

183.1021 (1) If the department determines that one or more grounds exist under s. 183.1020 (1) for revocation of a certificate of revocation, the department shall serve give the foreign limited liability company under s. 183.1010 with written notice of the determination by first class mail, addressed to its registered office.

SECTION 183.1021 (2) (a) of the statutes is amended to read:

183.1021 (2) (a) Within 60 days after service of the notice is ~~perfected under s. 183.1010~~ effective, the foreign limited liability company shall correct each ground for revocation or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist.

SECTION 183.1021 (2) (b) of the statutes is amended to read:

183.1021 (2) (b) If the foreign limited liability company fails to satisfy par. (a), the department may revoke the foreign limited liability company's certificate of registration by ~~signing a certificate of revocation~~ marking its records to reflect that recites each ground for revocation and its the effective date of revocation. The department shall ~~file the original of the certificate and serve a copy on~~ give the foreign limited liability company written notice of each ground for revocation and the effective date of revocation, by first class mail, addressed to the foreign limited liability company at its registered office under s. 183.1010.

SECTION 183.1021 (2m) (a) of the statutes is created to read:

183.1021 (2m) (a) If a notice under sub. (1) or (2) is returned to the department as undeliverable, the department shall give notice to the foreign limited liability company corporation addressed to its principal office.

SECTION 183.1021 (2m) (b) of the statutes is created to read:

183.1021 (2m) (b) If a notice under par. (a) is returned to the department as undeliverable, the department shall provide the notice by publishing a class 2 notice, under ch. 985, in the official state newspaper.

SECTION 183.1021 (3) of the statutes is amended to read:

183.1021 (3) The authority of a foreign limited liability company to transact business in this state, other than as provided in s. 183.1002 (2), ends on the effective date shown on the certificate revoking of revocation of its certificate of registration as reflected on the records of the department.

SECTION 183.1021 (6) of the statutes is created to read:

183.1021 (6) Notice under this section is effective at the earliest of the following:

(a) When received.

(b) Five days after its deposit in the U.S. mail, if mailed postpaid and correctly addressed.

(c) On the date shown n the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the foreign limited liability company.

(d) If the notice is published as a class 2 notice, under ch. 985, the effective date set under ch. 985 for the notice.

SECTION 1 183.1022 (1) of the statutes is amended to read:

183.1022 (1) A foreign limited liability company may appeal the department's revocation of its certificate of registration under s. 183.1020 (1) to the circuit court for the county where the foreign limited liability company's principal office is located, within 30 days after ~~service notice of the certificate of revocation is perfected~~ effective under s. 183.1010. The foreign limited liability company shall appeal by petitioning the court to set aside the revocation and attaching to the petition copies of its certificate of registration and the department's ~~certificate~~ notice of revocation.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-3724/P1

RSM/RAC/JK:1....

WJ

PMNTR

9-26-01

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

DNBTR

conversion of business entities, exemptions from securities registration requirements and licensing requirements for securities broker-dealers and securities agents, registered agents for business entities, administrative dissolution of business entities, and amended certificates of authority for foreign business entities.

GEN

1 AN ACT ...; relating to: ???

Analysis by the Legislative Reference Bureau

[PRELIM]

INS 99
1-2 ✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 178.43 (intro.)[✓] of the statutes is renumbered 178.43 (1) (intro.)[✓]

3 SECTION 2. 178.43 (2)[✓] and (3)[✓] of the statutes are created to read:

4 178.43 (2) The registered agent of a registered limited liability partnership or
5 a foreign limited liability partnership may resign as registered agent by executing
6 and filing with the department a written statement that includes all of the following
7 information, as applicable:

8 (a) The name of the registered limited liability partnership or foreign
9 registered limited liability partnership for which the registered agent is acting.

10 (b) The name of the registered agent.

1 (c) If the registered agent is acting for a registered limited liability partnership,
2 the street address of the registered limited liability partnership.

3 (d) If the registered agent is acting for a foreign registered limited liability
4 partnership, the foreign registered limited liability partnership's current registered
5 office and the mailing address of the foreign registered limited liability partnership's
6 current principal office.

7 (e) A statement that the registered agent resigns.

8 (f) If the registered office is also discontinued, a statement to that effect.

9 (3) After the filing of a statement under sub. (2),[✓] the department shall mail a
10 copy of the statement to the registered limited liability partnership or foreign
11 registered limited liability partnership at the address provided under sub. (2) (c)[✓] or
12 (d).[✓]

13 ~~SECTION 3.~~ [#] 178.51 (1)[✓] of the statutes is amended to read:

14 178.51 (1) Upon receipt of a document by the department for filing, the
15 department shall stamp or otherwise endorse the date and ~~time~~ of receipt on the
16 original document copy and, upon request, any additional document copy received.
17 The department shall return any additional document copy to the person delivering
18 it, as confirmation of the date and ~~time~~ of receipt.

History: 1995 a. 97.

19 ~~SECTION 4.~~ 179.03 (2)[✓] of the statutes is amended to read:

20 179.03 (2) The reservation shall be made by filing with the department an
21 application executed by the applicant to reserve a specified name together with a fee
22 of \$10, or making a telephone application to reserve a specified name. The fee for a
23 telephone application to reserve a specified name for 60 days is \$20. If the
24 department finds that the name is available for use by a domestic limited

1 partnership or foreign limited partnership, the department shall reserve the name
 2 for the exclusive use of the applicant for a period of 60 days. ~~The department shall~~
 3 ~~cancel the telephone application to reserve a specified name if the department does~~
 4 ~~not receive the proper fee within 15 business days after the application. Once having~~
 5 ~~reserved a name, the same applicant may not again reserve the same name until~~
 6 ~~more than 60 days after the expiration of the last 60 day period for which that~~
 7 ~~applicant reserved that name. The right to the exclusive use of a reserved name may~~
 8 be transferred to any other person by filing with the department, together with a fee
 9 of \$10, a notice of the transfer executed by the applicant for whom the name was
 10 reserved and specifying the name and address of the transferee.

History: 1983 a. 173; 1985 a. 338; 1993 a. 214; 1995 a. 27.

11 **SECTION 5.** 179.04 (1) (b) [✓] of the statutes is amended to read:

12 179.04 (1) (b) An agent for service of process on the limited partnership, which
 13 agent must be an individual resident of this state, a domestic corporation, nonstock
 14 corporation, limited partnership, registered limited liability partnership or limited
 15 liability company, or a foreign corporation, nonstock corporation, limited
 16 partnership, registered limited liability partnership or limited liability company
 17 authorized to do business in this state whose address is identical with the address
 18 of the business office of the agent.

History: 1983 a. 173; 1985 a. 29; 1993 a. 112; 1995 a. 27/

19 **SECTION 6.** 179.045 [✓] of the statutes is created to read:

20 **179.045 Resignation of agent for service of process.** (1) An agent for
 21 service of process may resign by executing and filing with the department a
 22 statement, in duplicate, containing all of the following information, as applicable:

23 (a) The name of the domestic or foreign limited partnership for which the agent
 24 is acting.

1 (b) The name and current street address of the agent.

2 (c) If the agent is acting for a domestic limited partnership, the address of the
3 domestic limited partnership's record office.

4 (d) If the agent is acting for a foreign limited partnership, the address of the
5 foreign limited partnership's office in its state of organization.

6 (e) A statement that the agent resigns.

7 (2) The department shall note on one of the duplicates filed under sub. (1) the
8 date of filing and shall mail that duplicate to the limited partnership at the address
9 provided under sub. (1) (c) or (d).

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(3) A resignation under this section is effective on the earlier of the following:

(a) Thirty days after the date on which the statement is filed under sub. (1).

(b) The date on which the appointment of a successor agent is effective.

SECTION 7. 179.82 (4) of the statutes is amended to read:

179.82 (4) The name and address of an agent for service of process on the
foreign limited partnership, who must be an individual resident of this state, a
domestic corporation, nonstock corporation, limited partnership, registered limited
liability partnership or limited liability company, or a foreign corporation, nonstock
corporation, limited partnership, registered limited liability partnership or limited
liability company having a place of business and authorized to do business in this
state whose address is identical with the address of the business office of the agent.

History: 1983 a. 173; 1989 a. 232; 1993 a. 112; 1995 s. 27.

SECTION 8. 179.88 of the statutes is amended to read:

179.88 Substituted service. Service of process on the department under this
subchapter shall be made by serving of duplicate copies of the process on the
department, together with a fee of \$10. The department shall mail notice of the

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Established under s. 182.01(4)(c)

1 service and a copy of the process within 10 days addressed to the foreign limited
 2 partnership at its office in the state of its organization or its principal office, as
 3 appearing on the records of the department from information supplied under s.
 4 179.82 (6). The time within which the foreign limited partnership may answer or
 5 move to dismiss under s. 802.06 (2) does not start to run until 10 days after the date
 6 of the mailing. The department shall keep a record of service of process under this
 7 section showing the day and hour of service and the date of mailing.

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History: 1983 a. 173; 1985 a. 29; 1995 a. 27.

8 **SECTION 9.** 180.0125 (1) of the statutes is amended to read:

9 180.0125 (1) Upon receipt of a document by the department for filing, the
 10 department shall stamp or otherwise endorse the date ~~and time~~ of receipt on the
 11 original, the document copy and, upon request, any additional document copy
 12 received. The department shall return any additional document copy to the person
 13 delivering it, as confirmation of the date ~~and time~~ of receipt.

History: 1989 a. 303; 1995 a. 27.

14 **SECTION 10.** 180.0402 (1) of the statutes is amended to read:

15 180.0402 (1) A person may reserve the exclusive use of a corporate name,
 16 including a fictitious name for a foreign corporation whose corporate name is not
 17 available, by delivering an application to the department for filing or by making a
 18 telephone application. The application shall include the name and address of the
 19 applicant and the name proposed to be reserved. If the department finds that the
 20 corporate name applied for under this subsection is available, the department shall
 21 reserve the name for the applicant's exclusive use for a 120-day period, which may
 22 be renewed by the applicant or a transferee under sub. (2) from time to time. If an
 23 application to reserve a name or to renew a reserved name is made by telephone, the
 24 department shall cancel the reservation or renewal if the department does not

SECTION 10

1 ~~receive the fee required under s. 180.0122 (1) (e) or (f) within 15 business days after~~
2 ~~the application is made.~~

History: 1989 a. 303; 1993 a. 214; 1995 a. 27.

3 SECTION 11. 180.0501 (2) and (3) of the statutes are amended to read:

4 180.0501 (2) A domestic corporation, a nonstock corporation, a limited
5 partnership, a registered limited liability partnership, or a limited liability company
6 incorporated, registered, or organized in this state, whose business office is identical
7 with the registered office.

History: 1989 a. 303; 1993 a. 112; 1997 a. 79.

8 (3) A foreign corporation, nonstock corporation, limited partnership,
9 registered limited liability partnership, or limited liability company authorized to
10 transact business in this state whose business office is identical with the registered
11 office.

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History: 1989 a. 303; 1993 a. 112; 1997 a. 79.

12 SECTION 12. 180.1421 (1) and (2) of the statutes are amended to read:

13 180.1421 (1) If the department determines that one or more grounds exist
14 under s. 180.1420 for dissolving a corporation, the department shall ~~serve~~ give the
15 corporation under s. 180.0504 ~~with written~~ 180.0141 notice of the determination.
16 Notwithstanding s. 180.0141 (2) (b), (3), and (4), the notice shall be in writing and
17 addressed to the registered office of the corporation.

History: 1989 a. 303; 1995 a. 27.

18 (2) (a) Within 60 days after ~~service of the notice is perfected~~ takes effect under
19 s. ~~180.0504~~ 180.0141 (5) (a), the corporation shall correct each ground for dissolution
20 or demonstrate to the reasonable satisfaction of the department that each ground
21 determined by the department does not exist.

22 (b) If the corporation fails to satisfy par. (a), the department shall
23 administratively dissolve the corporation ~~by issuing a certificate of dissolution that~~

1 ~~recites each ground for dissolution and its effective date.~~ The department shall file
2 ~~the original of the certificate and serve a copy on the corporation under s. 180.0504~~
3 enter a notation in its records to reflect each ground for dissolution and the effective
4 date of dissolution and shall give the corporation under s. 180.0141[✓] notice of those
5 facts. Notwithstanding s. 180.0141 (2) (b),[✓] (3),[✓] and (4),[✓] the notice shall be in writing
6 and addressed to the registered office of the corporation.

History: 1989 a. 303; 1995 a. 27.

7 **SECTION 13.** 180.1421 (2m)[✓] of the statutes is created to read:

8 180.1421 (2m) (a) If a notice under sub. (1)[✓] or (2) (b)[✓] is returned to the
9 department as undeliverable, the department shall again give notice to the
10 corporation under s. 180.0141.[✓] Notwithstanding s. 180.0141 (2) (b),[✓] (3),[✓] and (4)[✓] and
11 except as provided under par. (b),[✓] the notice under this paragraph shall be in writing
12 and addressed to the principal office of the corporation.

13 (b) If the notice under par. (a)[✓] is returned to the department as undeliverable
14 or if the corporation's principal office cannot be determined from the records of the
15 department, the department shall give the notice by publishing a class 2 notice under
16 ch. 985 in the official state newspaper.

17 **SECTION 14.** 180.1504 (1) (intro.)[✓] and (b)[✓] of the statutes are amended to read:

18 180.1504 (1) (intro.) A foreign corporation authorized to transact business in
19 this state shall obtain an amended certificate of authority from the department if it
20 the foreign corporation changes any of the following:

21 (b) The *Its date of incorporation or the period of its duration.*

History: 1989 a. 303; 1991 a. 16; 1993 a. 214; 1995 a. 27.

22 **SECTION 15.** 180.1507 (2)[✓] of the statutes is amended to read:

23 180.1507 (2) A domestic corporation, a nonstock corporation, a limited
24 partnership, a registered limited liability partnership, or a limited liability company

SECTION 15

1 incorporated, registered, or organized in this state, whose business office is identical
2 with the registered office.

3 History: 1989 a. 303; 1993 a. 112.

3 **SECTION 16.** 180.1507 (3) of the statutes is amended to read:

4 180.1507 (3) A foreign corporation, nonstock corporation, limited partnership,
5 registered limited liability partnership, or limited liability company authorized to
6 transact business in this state, whose business office is identical with the registered
7 office.

8 History: 1989 a. 303; 1993 a. 112.

8 **SECTION 17.** 180.1530 (1m) and (2) of the statutes are amended to read:

9 180.1530 (1m) If the department receives a certificate under sub. (1) (f) and a
10 statement by the foreign corporation that the certificate is submitted by the foreign
11 corporation to terminate its authority to transact business in this state, the
12 department shall ~~issue a certificate of revocation~~ revoke the foreign corporation's
13 certificate of authority under s. 180.1531 (2) (b).

14 (2) A court may revoke under s. 946.87 the certificate of authority of a foreign
15 corporation authorized to transact business in this state. The court shall notify the
16 department of the action, and the department shall ~~issue a certificate of revocation~~
17 revoke the foreign corporation's certificate of authority under s. 180.1531 (2) (b).

18 History: 1989 a. 303, 359; 1993 a. 35, 214; 1995 a. 27.

18 **SECTION 18.** 180.1531 (1) and (2) (a) and (b) of the statutes are amended to read:

19 180.1531 (1) If the department determines that one or more grounds exist
20 under s. 180.1530 (1) for revocation of a certificate of authority, the department shall
21 ~~serve give~~ the foreign corporation under s. 180.1510 ~~with written~~ 180.0141 notice of
22 the determination. Notwithstanding s. 180.0141 (2) (b), (3), and (4), the notice shall
23 be in writing and addressed to the registered office of the foreign corporation.

History: 1989 a. 303; 1991 a. 269; 1993 a. 35; 1995 a. 27.

1 (2) (a) Within 60 days after ~~service of the notice is perfected~~ takes effect under
2 s. ~~180.1510~~ 180.0141 (5) (a),[✓] the foreign corporation shall correct each ground for
3 revocation or demonstrate to the reasonable satisfaction of the department that each
4 ground determined by the department does not exist.

5 (b) If the foreign corporation fails to satisfy par. (a), the department may revoke
6 the foreign corporation's certificate of authority by ~~issuing a certificate of revocation~~
7 ~~that recites~~ entering a notation in the department's records to reflect each ground for
8 revocation and ~~its~~ the effective date of the revocation. The department shall ~~file the~~
9 ~~original of the certificate and serve a copy on~~ give the foreign corporation under s.
10 ~~180.1510~~ 180.0141 notice of each ground for revocation and the effective date of the
11 revocation. Notwithstanding s. 180.0141 (2) (b),[✓] (3),[✓] and (4),[✓] the notice shall be in
12 writing and addressed to the registered office of the foreign corporation.

13 History: 1989 a. 303; 1991 a. 269; 1993 a. 35; 1995 a. 27.

SECTION 19. 180.1531 (2m)[✓] of the statutes is created to read:

14 180.1531 (2m) (a) If a notice under sub. (1)[✓] or (2) (b)[✓] is returned to the
15 department as undeliverable, the department shall again give notice to the
16 corporation under s. 180.0141.[✓] Notwithstanding s. 180.0141 (2) (b),[✓] (3),[✓] and (4)[✓] and
17 except as provided under par. (b),[✓] the notice under this paragraph shall be in writing
18 and addressed to the principal office of the foreign corporation.

19 (b) If the notice under par. (a)[✓] is returned to the department as undeliverable
20 or if the corporation's principal office cannot be determined from the records of the
21 department, the department shall give the notice by publishing a class 2 notice under
22 ch. 985[✓] in the official state newspaper.

23 **SECTION 20.** 180.1532 (1)[✓] of the statutes is amended to read:

SECTION 20

1 180.1532 (1) A foreign corporation may appeal the department's revocation of
 2 its certificate of authority under s. 180.1530 (1) to the circuit court for the county
 3 where the foreign corporation's principal office or, if none in this state, its registered
 4 office is located, within 30 days after ~~service of the certificate~~ the notice of revocation
 5 is perfected takes effect under s. ~~180.1510~~ 180.0141 (5) (a).[✓] The foreign corporation
 6 shall appeal by petitioning the court to set aside the revocation and attaching to the
 petition copies of its certificate of authority and the department's ~~certificate~~ notice
 of revocation.

Handwritten notes: "NCL 10-3-8" with a circled "8" and an arrow pointing to the word "notice" in the text above.

History: 1989 a. 303; 1995 a. 27.

9 SECTION 21. 181.0402 (1)[✓] of the statutes is amended to read:

10 181.0402 (1) RESERVATION OF NAMES. A person may reserve the exclusive use
 11 of a corporate name, including a fictitious name for a foreign corporation whose
 12 corporate name is not available, by delivering an application to the department for
 13 filing or by making a telephone application. The application shall include the name
 14 and address of the applicant and the name proposed to be reserved. If the
 15 department finds that the corporate name applied for under this subsection is
 16 available, the department shall reserve the name for the applicant's exclusive use for
 17 a 120-day period, which may be renewed by the applicant or a transferee under sub.
 18 (2) from time to time. ~~If an application to reserve a name or to renew a reserved name~~
 19 ~~is made by telephone, the department shall cancel the reservation or renewal if the~~
 20 ~~department does not receive the fee required under s. 181.0122 (1) (e) or (f) within~~
 21 ~~15 business days after the application is made.~~

History: 1997 a. 79.

22 SECTION 22. 181.0501 (2)[✓] of the statutes is amended to read:

23 181.0501 (2) DOMESTIC ENTITIES. A domestic corporation, stock corporation,
 24 limited partnership, registered limited liability partnership, or limited liability

1 company, incorporated, registered, or organized in this state, whose business office
2 is identical with the registered office.

History: 1997 a. 79.

3 **SECTION 23.** 181.0501 (3) [✓] of the statutes is amended to read:

4 181.0501 (3) FOREIGN ENTITIES. A foreign corporation, stock corporation,
5 limited partnership, registered limited liability partnership, or limited liability
6 company, authorized to transact business in this state, whose business office is
identical with the registered office.

History: 1997 a. 79.

8 **SECTION 24.** 181.1403 (1) (e) [✓] of the statutes is repealed and recreated to read:

9 181.1403 (1) (e) If approval by members is required, a statement that
10 dissolution was approved by a sufficient vote of the members of each class entitled
11 to vote on dissolution.

12 **SECTION 25.** 181.1421 (1) [✓] of the statutes is amended to read:

13 181.1421 (1) NOTICE OF DETERMINATION. If the department determines that one
14 or more grounds exist under s. 181.1420 for dissolving a corporation, the department
15 shall give the corporation written notice of the department's determination by
16 ~~certified~~ first-class mail, ~~return receipt requested~~, addressed to the corporation's
17 registered agent ~~and to the corporation's principal office, as most recently designated~~
18 ~~on the records of the department.~~

History: 1997 a. 79.

19 **SECTION 26.** 181.1421 (2) [✓] of the statutes is repealed and recreated to read:

20 181.1421 (2) SECONDARY NOTICES. (a) If a notice under sub. (1) [✓] is returned to
21 the department as undeliverable, the department shall again give the corporation
22 notice by first-class mail, addressed to the principal office of the corporation, as most
23 recently designated in the records of the department.

Handwritten notes: "181.0501" with an arrow pointing to line 5, "11-7" in a circle, and a circled "7" with an arrow pointing to line 6.

1 (b) If the notice under par. (a)[✓] is returned to the department as undeliverable
2 or if the corporation's principal office cannot be determined from the records of the
3 department, the department shall give the notice by publishing a class 2 notice under
4 ch. 985 in the official state newspaper.

5 **SECTION 27.** 181.1421 (4) (b)[✓] of the statutes is amended to read:

6 181.1421 (4) (b) If the corporation fails to satisfy par. (a), the department shall
7 administratively dissolve the corporation ~~by issuing a certificate of dissolution that~~
8 ~~recites each ground for dissolution and its effective date.~~ The department shall file
9 ~~the original of the certificate and shall provide notice to~~ enter a notation in the
10 department's records to reflect each ground for dissolution and the effective date of
11 dissolution and shall give the corporation of the certificate ^Δ notice of those facts in
12 the same manner as a notice of determination under subs. (1) and (2).

13 History: 1997 a. 79.

13 **SECTION 28.** 181.1422 (2) (a) (intro.)[✓] of the statutes is amended to read:

14 181.1422 (2) (a) (intro.) The department shall cancel the ~~certificate~~ notice of
15 dissolution and issue a certificate of reinstatement that complies with par. (b) if the
16 department determines all of the following:

17 History: 1997 a. 79.

17 **SECTION 29.** 181.1423 (2)[✓] of the statutes is amended to read:

18 181.1423 (2) TIME FOR APPEAL OF DENIAL. The corporation may appeal the denial
19 of reinstatement to the circuit court for the county where the corporation's principal
20 office or, if none in this state, its registered office is located, within 30 days after
21 service of the notice of denial is perfected. The corporation shall appeal by
22 petitioning the court to set aside the dissolution and attaching to the petition copies

1 of the department's ~~certificate~~ notice of dissolution, the corporation's application for
2 reinstatement and the department's notice of denial.

History: 1997 a. 79.

3 SECTION 30. 181.1504 (1) (b) of the statutes is amended to read:

4 181.1504 (1) (b) The Its date of incorporation or the period of its duration.

History: 1997 a. 79.

5 SECTION 31. 181.1507 (2) of the statutes is amended to read:

6 181.1507 (2) DOMESTIC ENTITIES. A domestic corporation, stock corporation,
7 limited partnership, registered limited liability partnership, or limited liability
8 company, incorporated, registered, or organized in this state, whose business office
9 is identical with the registered office.

History: 1997 a. 79.

10 SECTION 32. 181.1507 (3) of the statutes is amended to read:

11 181.1507 (3) FOREIGN ENTITIES. A foreign corporation, stock corporation,
12 limited partnership, registered limited liability partnership, or limited liability
13 company, authorized to transact business in this state, whose business office is
14 identical with the registered office.

History: 1997 a. 79.

15 SECTION 33. 181.1531 (1) of the statutes is amended to read:

16 181.1531 (1) NOTICE OF PROCEEDING BY DEPARTMENT. If the department
17 determines that one or more grounds exist under s. 181.1530 (1) for revocation of a
18 certificate of authority, the department shall ~~serve~~ give the foreign corporation under
19 s. 181.1510 ~~with~~ written notice of the determination, addressed to the foreign
20 corporation's registered agent.

History: 1997 a. 79.

21 SECTION 34. 181.1531 (2) (a), (b) and (c) 1. (intro.) of the statutes are amended

22 to read:

SECTION 34

1 181.1531 (2) (a) Within 60 days after ~~service of the notice is perfected under~~
2 ~~s. 181.1510 takes effect~~, the foreign corporation shall correct each ground for
3 revocation or demonstrate to the reasonable satisfaction of the department that each
4 ground determined by the department does not exist.

History: 1997 a. 79.

5 (b) If the foreign corporation fails to satisfy par. (a), the department may revoke
6 the foreign corporation's certificate of authority by ~~issuing a certificate of revocation~~
7 ~~that recites entering a notation in the department's records to reflect each ground for~~
8 ~~revocation and the certificate's effective date of revocation.~~ ^{plain space} The department shall file
9 ~~the original certificate and serve a copy on give notice of those facts to the foreign~~
10 ~~corporation in the same manner as a notice of determination under s. 181.1510 subs.~~
11 ~~(1) and (2).~~ ✓

History: 1997 a. 79.

12 (c) 1. (intro.) If a foreign corporation's certificate of authority is revoked, the
13 department shall reinstate the certificate of authority if the foreign corporation does
14 all of the following within 6 months after the effective date of ~~the certificate of~~
15 ~~revocation:~~

History: 1997 a. 79.

16 SECTION 35. 181.1531 (2g) ✓ of the statutes is created to read:

17 181.1531 (2g) SECONDARY NOTICES. (a) If a notice under sub. (1) ✓ or (2) (b) ✓ is
18 returned to the department as undeliverable, the department shall again give
19 written notice to the foreign corporation, addressed to the principal office of the
20 foreign corporation, as most recently designated in the records of the department.

21 (b) If the notice under par. (a) ✓ is returned to the department as undeliverable
22 or if the corporation's principal office cannot be determined from the records of the
23 department, the department shall give the notice by publishing a class 2 notice under
24 ch. 985 in the official state newspaper.

1 SECTION 36. 181.1531 (2r) of the statutes is created to read:

2 181.1531 (2r) EFFECTIVE DATE OF NOTICE. A notice under sub. (1), (2) (b), or (2g)

3 (a) takes effect at the earliest of the following:

4 (a) When received.

5 (b) Five days after its deposit in the U.S. mail, if ~~paid~~ ^{mailed} post-paid and correctly
6 addressed.

7 (c) On the date shown on the return receipt, if sent by registered or certified
8 mail, return receipt requested, and the receipt is signed by or on behalf of the
9 addressee.

10 SECTION 37. 181.1531 (3) of the statutes is amended to read:

11 181.1531 (3) EFFECT OF REVOCATION. The authority of a foreign corporation to
12 transact business in this state, ends on the effective date shown on the certificate
13 revoking of revocation of its certificate of authority, as reflected in the records of the
14 department.

History: 1997 a. 79.

15 SECTION 38. 181.1531 (3) of the statutes is amended to read:

16 181.1531 (3) EFFECT OF REVOCATION. The authority of a foreign corporation to
17 transact business in this state, ends on the effective date shown on the certificate
18 revoking its certificate of authority of revocation, as reflected in the records of the
19 department.

History: 1997 a. 79.

20 SECTION 39. 181.1532 (1) of the statutes is amended to read:

21 181.1532 (1) RIGHT TO APPEAL. A foreign corporation may appeal the
22 department's revocation of its certificate of authority under s. 181.1530 (1) to the
23 circuit court for the county where the foreign corporation's principal office or, if none
24 exists in this state, its registered office is located, within 30 days after service of the

1 ~~certificate the effective date of the notice of revocation is perfected under s. 181.1510.~~

2 The foreign corporation shall appeal by petitioning the court to set aside the
3 revocation and attaching to the petition copies of its certificate of authority and the
4 department's ~~certificate~~ notice of revocation.

History: 1997 a. 79.

5 SECTION 40. 183.0104 (1) [✓] of the statutes is amended to read:

6 183.0104 (1) A person may reserve the exclusive use of a limited liability
7 company name, including a fictitious name for a foreign limited liability company
8 whose name is not available, by delivering an application to the department for filing
9 or by making a telephone application. The application shall include the applicant's
10 name and address and the name proposed to be reserved. If the department finds
11 that the name applied for under this subsection is available, the department shall
12 reserve the name for the applicant's exclusive use for a 120-day period, which may
13 be renewed by the applicant or a transferee under sub. (2) from time to time. ~~If an~~
14 ~~application to reserve a name or to renew a reserved name is made by telephone, the~~
15 ~~department shall cancel the reservation or renewal if the department does not~~
16 ~~receive the fee required under s. 183.0114 (1) (e) or (f) within 10 business days after~~
17 ~~the day on which the application is made.~~

History: 1993 a. 112; 1995 a. 27.

18 SECTION 41. 183.0105 (1) (b) [✓] of the statutes is amended to read:

19 183.0105 (1) (b) A domestic corporation, a ~~domestic~~ limited liability company,
20 limited partnership, registered limited liability partnership, or a ~~nonstock~~
21 corporation organized or registered in this state, whose business office is identical
22 with the registered office.

History: 1993 a. 112; 1995 a. 27, 400.

23 SECTION 42. 183.0105 (1) (c) [✓] of the statutes is amended to read:

1 183.0105 (1) (c) A foreign corporation, nonstock corporation, limited
 2 partnership, registered limited liability partnership, or a foreign limited liability
 3 company, that is authorized to transact business in this state and, whose business
 4 office is identical with the registered office.

INSECT
17-4

History: 1993 a. 112; 1995 a. 27, 400.

5 SECTION 43. 183.0110 (1) of the statutes is amended to read:

6 183.0110 (1) Upon receipt of a document by the department for filing under this
 7 chapter, the department shall stamp or otherwise endorse the date and time of
 8 receipt on the original, the document copy and, upon request, any additional
 9 document copy received. The department shall return any additional document copy
 10 to the person delivering it, as confirmation of the date and time of receipt.

INSECT
17-10

History: 1993 a. 112; 1995 a. 27.

11 SECTION 44. 183.1006 (1) (a) of the statutes is amended to read:

12 183.1006 (1) (a) Its name or the fictitious name under which it has been issued
 13 a certificate of registration.

History: 1993 a. 112; 1995 a. 27.

14 SECTION 45. 183.1006 (1) (b) of the statutes is amended to read:

15 183.1006 (1) (b) The state or jurisdiction under whose laws it is organized or
 16 its date of organization.

History: 1993 a. 112; 1995 a. 27.

17 SECTION 46. 183.1020 (2) of the statutes is amended to read:

18 183.1020 (2) If the department receives a certificate under sub. (1) (f) and a
 19 statement by the foreign limited liability company that the certificate is submitted
 20 by the foreign limited liability company to terminate its registration to transact
 21 business in this state, the department shall ~~issue a certificate of revocation~~ revoke
 22 the foreign limited liability company's certificate of registration under s. 183.1021
 23 (2) (b).

History: 1995 a. 27.

1 SECTION 47. 183.1020 (3) of the statutes is amended to read:

2 183.1020 (3) A court may revoke under s. 946.87 the certificate of registration
3 of a foreign limited liability company registered to transact business in this state.
4 The court shall notify the department of the action, and the department shall issue
5 ~~a certificate of revocation~~ revoke the foreign limited liability company's certificate of
6 registration under s. 183.1021 (2) (b).

7 History: 1995 a. 27.

8 SECTION 48. 183.1021 (1) and (2) of the statutes are amended to read:

9 183.1021 (1) If the department determines that one or more grounds exist
10 under s. 183.1020 (1) for revocation of a certificate of registration, the department
11 shall ~~serve~~ give the foreign limited liability company under ~~s. 183.1010~~ with written
12 notice of the determination by first class mail, addressed to the foreign limited
liability company's registered office.

13 History: 1995 a. 27.

14 (2) (a) Within 60 days after ~~service of the notice is perfected under s. 183.1010~~
15 takes effect, the foreign limited liability company shall correct each ground for
16 revocation or demonstrate to the reasonable satisfaction of the department that each
ground determined by the department does not exist.

17 (b) If the foreign limited liability company fails to satisfy par. (a), the
18 department may revoke the foreign limited liability company's certificate of
19 registration by ~~signing a certificate of revocation that recites~~ entering a notation in
20 the department's records to reflect each ground for revocation and ~~its~~ the effective
21 date of the revocation. The department shall ~~file the original of the certificate and~~
22 ~~serve a copy on~~ give written notice of those facts to the foreign limited liability

1 company under ~~s. 183.1010~~ by first class mail, addressed to the foreign limited
2 liability company's registered office.

3 History: 1995 a. 27.

3 SECTION 49. 183.1021 (2g) of the statutes is created to read:

4 183.1021 (2g) (a) If a notice under sub. (1) or (2) (b) is returned to the
5 department as undeliverable, the department shall again give written notice to the
6 foreign limited liability company, addressed to the principal office of the foreign
7 limited liability company.

8 (b) If the notice under par. (a) is returned to the department as undeliverable
9 or if the foreign limited liability company's principal office cannot be determined
10 from the records of the department, the department shall give the notice by
11 publishing a class 2 notice under ch. 985 in the official state newspaper.

12 SECTION 50. 183.1021 (2r) of the statutes is created to read:

13 183.1021 (2r) A notice under sub. (1), (2) (b), or (2g) (a) takes effect at the
14 earliest of the following:

15 (a) When received.

16 (b) Five days after its deposit in the U.S. mail, if ~~mailed~~ ^{mailed} post paid and correctly
17 addressed.

18 (c) On the date shown on the return receipt, if sent by registered or certified
19 mail, return receipt requested, and the receipt is signed by or on behalf of the
20 addressee.

21 SECTION 51. 183.1021 (3) of the statutes is amended to read:

22 183.1021 (3) The authority of a foreign limited liability company to transact
23 business in this state, other than as provided in s. 183.1002 (2), ends on the effective

SECTION 51

1 date ~~shown on the certificate revoking~~ ^{of} revocation of its certificate of registration as
 2 reflected in the records of the department.

History: 1995 a. 27.

3 SECTION 52. 183.1022 (1) of the statutes is amended to read:

4 183.1022 (1) A foreign limited liability company may appeal the department's
 5 revocation of its certificate of registration under s. 183.1020 (1) to the circuit court
 6 for the county where the foreign limited liability company's principal office or, if none
 7 in this state, its registered office is located, within 30 days after service notice of the
 8 certificate of revocation is perfected takes effect under s. 183.1010 s. 183.1021 (2r).

9 The foreign limited liability company shall appeal by petitioning the court to set
 10 aside the revocation and attaching to the petition copies of its certificate of
 11 registration and the department's certificate notice of revocation.

History: 1995 a. 27.

(END)

TSW 2/9
20-11

12

TSW 2/12