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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS - RHODE
ISLAND BUSINESS CORPORATION ACT

Introduced By: Representatives Trillo, Giarrusso, and Costa

Date Introduced: February 12, 2013

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 7-1.2-1310 of the General Laws in Chapter 7-1.2 entitled "Rhode
2 Island Business Corporation Act" is hereby amended to read as follows:

3 **7-1.2-1310. Revocation of articles of incorporation.** -- (a) The articles of incorporation
4 of a corporation may be revoked by the secretary of state upon the conditions prescribed in this
5 section when it is established that:

6 (1) The corporation procured its articles of incorporation through fraud; or

7 (2) The corporation has continued to exceed or abuse the authority conferred upon it by
8 law; or

9 (3) The corporation has failed to file its annual report within the time required by this
10 chapter, or has failed to pay any fees, when they have become due and payable; or

11 (4) The corporation has failed for thirty (30) days to appoint and maintain a registered
12 agent in this state as required by this chapter; or

13 (5) The corporation has failed, after change of its registered office or registered agent, to
14 file in the office of the secretary of state a statement of the change as required by this chapter; or

15 (6) The corporation has failed to file in the office of the secretary of state any
16 amendment to its articles of incorporation or any articles of merger within the time prescribed by
17 this chapter; or

18 (7) A misrepresentation has been made of any material matter in any application, report,

1 affidavit, or other document submitted by the corporation pursuant to this chapter.

2 (b) No articles of incorporation of a corporation may be revoked by the secretary of state
3 unless:

4 (1) The secretary of state gives the corporation not less than ~~sixty (60)~~ one hundred
5 twenty (120) days notice thereof by certified mail, return receipt requested and regular mail
6 addressed to both the registered agent and the registered office of the corporation in this state on
7 file with the secretary of state's office; provided, however, that if a prior mailing addressed to the
8 registered agent or office of the corporation in this state currently on file with the secretary of
9 state's office has been returned to the secretary of state as undeliverable by the United States
10 Postal Service for any reason, or if the revocation notice is returned as undeliverable to the
11 secretary of state's office by the United States Postal Service for any reason, the secretary of state
12 gives notice as follows:

13 (i) To the corporation at its principal office of record and the office of its registered agent
14 as shown in its most recent annual report, and no further notice is required; or

15 (ii) In the case of a domestic corporation which has not yet filed an annual report, then to
16 any one of the incorporators listed on the articles of incorporation, and no further notice is
17 required; and

18 (2) The corporation fails prior to revocation to file the annual report or pay the fees, or
19 file the required statement of change of registered agent or registered office, or file the articles of
20 amendment or articles of merger, or correct the misrepresentation.

21 SECTION 2. Section 7-6-56 of the General Laws in Chapter 7-6 entitled "Rhode Island
22 Nonprofit Corporation Act" is hereby amended to read as follows:

23 **7-6-56. Revocation of certificate of incorporation.** -- (a) The certificate of
24 incorporation of a corporation may be revoked by the secretary of state upon the conditions
25 prescribed in this section when it is established that:

26 (1) The corporation procured its articles of incorporation through fraud;

27 (2) The corporation has continued to exceed or abuse the authority conferred upon it by
28 law;

29 (3) The corporation has failed to file its annual report within the time required by this
30 chapter, or has failed to pay any fees, when they have become due and payable;

31 (4) The corporation has failed for 30 days to appoint and maintain a registered agent in
32 this state as required by this chapter;

33 (5) The corporation has failed, after change of its registered office or registered agent, to
34 file in the office of the secretary of state a statement of the change as required by this chapter;

1 (6) The corporation has failed to file in the office of the secretary of state any
2 amendment to its articles of incorporation or any articles of merger within the time prescribed by
3 this chapter; or

4 (7) A misrepresentation has been made of any material matter in any application, report,
5 affidavit, or other document submitted by the corporation pursuant to this chapter.

6 (b) No certificate of incorporation of a corporation shall be revoked by the secretary of
7 state unless:

8 (1) The secretary of state shall have given the corporation not less than ~~sixty (60)~~ one
9 hundred twenty days notice thereof by certified mail, return receipt requested and regular mail
10 addressed to both the registered agent and the registered office of the corporation in this state on
11 file with the secretary of state's office; provided, however, that if a prior mailing addressed to the
12 registered agent or office of the corporation in this state currently on file with the secretary of
13 state's office has been returned to the secretary of state as undeliverable by the United States
14 Postal Service for any reason, or if the revocation notice is returned as undeliverable to the
15 secretary of state's office by the United States Postal Service for any reason, the secretary of state
16 shall give notice as follows:

17 (i) To the corporation at its principal office of record and the office of its registered agent
18 as shown in its most recent annual report, and no further notice shall be required; or

19 (ii) In the case of a domestic corporation which has not yet filed an annual report, then to
20 any one of the incorporators listed on the articles of incorporation, and no further notice shall be
21 required; and

22 (2) The corporation fails prior to revocation to file the annual report or pay the fees, or
23 file the required statement of change of registered agent or registered office, or file the articles of
24 amendment or articles of merger, or correct the misrepresentation.

25 SECTION 3. Section 7-16-41 of the General Laws in Chapter 7-16 entitled "The Rhode
26 Island Limited Liability Company Act" is hereby amended to read as follows:

27 **7-16-41. Revocation of certificate of organization or certificate of registration.** -- (a)
28 The certificate of organization or certificate of registration of a limited liability company may be
29 revoked by the secretary of state on the conditions prescribed in this section when it is established
30 that:

31 (1) The limited liability company procured its articles of organization through fraud;

32 (2) The limited liability company has continued to exceed or abuse the authority
33 conferred upon it by law;

34 (3) The limited liability company has failed to file its annual report within the time

1 required by this chapter, or has failed to pay any fees or taxes due this state, when they have
2 become due and payable;

3 (4) The limited liability company has failed for thirty (30) days to appoint and maintain a
4 resident agent in this state as required by this chapter;

5 (5) The limited liability company has failed, after change of its resident agent, to file in
6 the office of the secretary of state a statement of the change as required by this chapter;

7 (6) The limited liability company has failed to file in the office of the secretary of state
8 any amendment to its articles of organization or certificate of registration or any articles of
9 dissolution, cancellation of registration, merger or consolidation as prescribed by this chapter; or

10 (7) A misrepresentation has been made of any material matter in any application, report,
11 affidavit, or other document submitted by the limited liability company pursuant to this chapter.

12 (b) No certificate of organization or certificate of registration of a limited liability
13 company shall be revoked by the secretary of state unless:

14 (1) The secretary of state shall have given the limited liability company not less than
15 ~~sixty (60)~~ one hundred twenty (120) days notice thereof by certified mail, return receipt requested
16 and regular mail addressed to the resident agent in this state on file with the secretary of state's
17 office; provided, however, that if a prior mailing addressed to the address of the resident agent of
18 the limited liability company in this state currently on file with the secretary of state's office has
19 been returned to the secretary of state as undeliverable by the United States Postal Service for any
20 reason, or if the revocation notice is returned as undeliverable to the secretary of state's office by
21 the United States Postal Service for any reason, the secretary of state shall give notice as follows:

22 (i) To the limited liability company, domestic or foreign, at its principal office of record
23 and the office of its registered agent as shown in its most recent annual report, and no further
24 notice shall be required; or

25 (ii) In the case of a limited liability company which has not yet filed an annual report,
26 then to the domestic limited liability company at the principal office in the articles of organization
27 or to the authorized person listed on the articles of organization, or to the foreign limited liability
28 company at the office required to be maintained by the limited liability company in its state of
29 organization, and no further notice shall be required; and

30 (2) The limited liability company fails prior to revocation to file the annual report, pay
31 the fees or taxes, file the required statement of change of resident agent, file the articles of
32 amendment or amendment to its registration or articles of dissolution, cancellation of registration,
33 merger or consolidation, or correct the misrepresentation.

1 SECTION 4. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS - RHODE
ISLAND BUSINESS CORPORATION ACT

1 This act would increase the notification period for revocations before the secretary of
2 state may revoke an entity, and would also require that any revocation notice be sent by certified
3 mail, return receipt requested and regular mail to both the registered agent and registered office of
4 the entity.

5 This act would take effect upon passage.

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