

**HOUSE . . . . . No. 2877**

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The Commonwealth of Massachusetts

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PRESENTED BY:

*Angelo M. Scaccia*

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to a business entity.

\_\_\_\_\_

PETITION OF:

NAME:

DISTRICT/ADDRESS:

*Angelo M. Scaccia*

*14th Suffolk*

*William F. Galvin*

*Secretary of the Commonwealth*

**HOUSE . . . . . No. 2877**

By Mr. Scaccia of Boston, a petition (accompanied by bill, House, No. 2877) of Angelo M. Scaccia and William F. Galvin relative to the reporting requirements of limited liability partnerships and certain corporations. State Administration and Regulatory Oversight.

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

An Act relative to a business entity.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1.

2        Section 45 of chapter 108A of the General Laws, as appearing in the 2008 Official

3    Edition, is hereby amended by striking subsection (6) and inserting in place thereof the following

4    subsection:-

5     (6) If a partnership fails to file an annual report when due, pay the required fee, or the payment

6    of any fee due the commonwealth was dishonored when presented for payment and the

7    partnership has failed to correct the failure within 20 days after written notice of such failure was

8    mailed to the partnership, the state secretary may revoke the registration of the partnership. If

9    the state secretary determines that one or more grounds exist for revoking the registration of a

10   partnership, he shall notify the partnership of his determination. The notice shall be sent in

11   writing and mailed postage prepaid to the office of the partnership’s resident agent, or if the

12   resident agent consents, sent by electronic mail to an electronic mail address furnished by the

13   agent for such purpose. If the partnership has not appointed a resident agent, notice shall be

14   given by mail to the partnership at the address of its principal office as shown in the records of

15   the state secretary, or if the partnership consents, sent by electronic mail to an electronic mail

16   address furnished by the partnership for such purpose. The notice shall specify the annual

17   reports which have not been filed, the fees which have not been paid and the payment which has

18   been dishonored. If the partnership does not correct each ground for revocation or demonstrate

19   to the reasonable satisfaction of the state secretary that each ground determined by the secretary

20   of state does not exist within 60 days after notice is given, the state secretary shall

21   administratively revoke the registration of the partnership.

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25 SECTION 2.

26  Chapter 108A of the General Laws, as so appearing, is hereby further amended by adding  
27 the following new sections:-

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29 Section 50. Electronic Filings

30  Electronic documents or transmissions may be filed with the secretary of state if, and to  
31 the extent, permitted by the secretary. The secretary of state may promulgate regulations  
32 regarding the procedures for electronic filings which supersede any inconsistent provisions of  
33 this chapter with respect to such filings.

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35 Section 51. Correcting a Filed Certificate

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54 Section 52. Pre-clearance of Filings

55  The fee for examining and provisionally approving any record at any time before the  
56 record is presented for filing is \$100.00.

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59 SECTION 3.

60  Section 13 of chapter 109 of the General Laws, as appearing in the 2008 Official Edition,  
61 is hereby amended by striking subsection (a) and inserting in place thereof the following  
62 subsection:-

63  (a) A signed copy of the certificate of limited partnership and of any certificate of amendment  
64 or cancellation, or any judicial decree of amendment or cancellation, shall be delivered to the  
65 secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit  
66 evidence of his authority as a prerequisite to filing. Unless the secretary of state finds that the  
67 certificate does not conform to law, upon receipt of all filing fees required by law, he shall  
68 evidence his approval on or with the document. Upon such approval and payment of all filing  
69 fees required by law, the filing shall be deemed to be filed with the secretary of state.

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72  SECTION 4.

73  Section 13 of chapter 109 of the General Laws, as so appearing, is further amended by  
74 adding the following new subsection:-

75  (c) Electronic documents or transmissions may be filed with the secretary of state if, and to the  
76 extent, permitted by the secretary. The secretary of state may promulgate regulations regarding  
77 the procedures for electronic filings which supercede any inconsistent provisions of this chapter  
78 with respect to such filings.

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81  SECTION 5.

82  Chapter 109 of the General Laws, as so appearing, is further amended by adding, after  
83 section 13, the following new section:-

84  13A. Correcting a Filed Certificate

85  (a) A domestic or foreign limited partnership may correct a document filed with the state  
86 secretary if the document:

87  (1) contains a typographical error or an incorrect statement; or

88  (2) was defectively executed, attested, sealed, verified or acknowledged.

89  (b) A document is corrected:

90  (1) by preparing a certificate of correction that (i) describes the document, including its  
91 filing date, (ii) specifies the typographical error, the incorrect statement and the reason it is  
92 incorrect or the manner in which the execution was defective and (iii) corrects the typographical  
93 error, incorrect statement or defective executions; and

94  (2) by delivering the certificate of correction to the secretary of state for filing.

95  (c) A certificate of correction is effective on the effective date of the document it corrects  
96 except as to persons relying on the uncorrected document and adversely affected by the  
97 correction. As to those persons, the certificate of correction is effective when filed.

98  (d) A certificate of correction cannot be used to change the effective date of a filed  
99 document; provided, however, that if a document has been filed with a delayed effective date, a  
100 certificate of correction may be filed prior to said date:

101  (1) to accelerate the effective date to a date not earlier than the date of the certificate of  
102 correction; or

103  (2) to abandon a merger or amendment if the authority to do so is granted by the merger  
104 agreement or the persons approving the amendment.

105  (e) If the secretary of state permits electronic filings, defects in the electronic recording or  
106 transmission of documents may be corrected under this section to the extent permitted by  
107 regulations promulgated by the secretary.

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110  SECTION 6.

111  Chapter 109 of the General Laws is hereby further amended by striking Section 16 in its  
112 entirety.

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115  SECTION 7.

116  Chapter 109 of the General Laws, as so appearing, is hereby amended by adding after  
117 section 43, the following new section:-

118  43A. Conversions

119  (a) As used in this section, an “other entity” means a corporation organized under chapter  
120 156D, a corporation organized under chapter 180, a foreign business corporation, a foreign  
121 nonprofit corporation and any association or entity other than a governmental or quasi-  
122 governmental organization. The term includes, without limitation, limited liability companies,  
123 general partnerships, limited liability partnerships, joint ventures, joint stock companies, business  
124 trusts and profit and not-for-profit unincorporated associations.

125  (b) A limited partnership may convert into an other entity and an other entity may convert into  
126 a limited partnership, provided in each case that if an other entity exists pursuant to the authority  
127 of a chapter of the General Laws, that chapter permits the conversion, and if an other entity is  
128 organized under the laws of a foreign jurisdiction, the laws of that jurisdiction permit the  
129 conversion.

130  (c) A limited partnership converting into an other entity shall comply with the terms of this  
131 section and of its certificate of limited partnership and its partnership agreement, to the extent  
132 they are applicable. An other entity converting into a limited partnership shall comply with the  
133 terms of any laws applicable to it and of its organic documents, to the extent they are applicable.

134  (d) A limited partnership or an other entity converting pursuant to the authority of this section  
135 (herein the “converting entity”) shall adopt a plan of entity conversion that contains substantially  
136 the information required by section 9.51 of chapter 156D to be contained in a plan of entity  
137 conversion of a business corporation, modified to account for the nature of the converting entity,  
138 as well as any information required by any laws applicable to the converting entity. The plan  
139 shall be approved by the converting entity in the manner an amendment of its organic documents  
140 must be approved.

141  (e) The converting entity shall file with the state secretary, and with any other governmental  
142 agency with which the converting entity or the surviving entity is required to make public filings,

143 articles of entity conversion that contain substantially the information required by section 9.53 of  
144 chapter 156D to be contained in articles of entity conversion of a business corporation or a  
145 domestic or foreign other entity, modified to account for the nature of the converting entity and  
146 the surviving entity.

147  (f) The effect of a conversion authorized by this section shall be the same as is provided in  
148 section 9.55 of chapter 156D.

149

150  SECTION 8.

151  Section 55 of chapter 109, as so appearing, is hereby amended by adding the following  
152 new subsection:-

153  (c) A foreign limited partnership is liable to the commonwealth for the years or parts of years  
154 during which it transacted business in the commonwealth without delivering to the secretary of  
155 state for filing the certificate required by section 49, an amount equal to:

156  (1) all fees which would have been imposed by law had it duly delivered the certificate; and

157  (2) all interest and penalties imposed by law for failure to pay the fees. A foreign limited  
158 partnership is further liable to the commonwealth, for each month or part thereof during which it  
159 transacted business without delivering the certificate, an amount determined by the secretary of  
160 state, which shall in no event exceed the amount established by the Commissioner of

161 Administration under section 3B of Chapter 7, except that a foreign limited partnership which  
162 has delivered such certificate shall not be liable for such monthly penalty for the first ten (10)  
163 days during which it transacted business without delivering such certificate. Such fees and  
164 penalties may be levied by the secretary of state. The attorney general may bring an action  
165 necessary to recover amounts due to the commonwealth under this subsection including an  
166 action to restrain a foreign limited partnership against which fees and penalties have been  
167 imposed pursuant to this subsection from transacting business in the commonwealth until the  
168 fees and penalties have been paid.

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171  SECTION 9.

172  Chapter 109 is hereby amended by striking out section 61, as so appearing, and inserting  
173 in place thereof the following section:-

174  Section 61. Fees

175  The fee for filing in the office of the secretary of state any original certificate of limited  
176 partnership or application for registration as a foreign limited partnership shall be \$500.00. The  
177 fee for filing a certificate of amendment, correction, cancellation or withdrawal shall be \$100.00.  
178 The fee for reservation of a name shall be \$30.00.

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181  SECTION 10.

182  Section 64 of chapter 109, as added by section 51 of chapter 182 of the Acts of 2008, is

183 hereby amended by striking out subsections (a) and (b) inserting in place thereof the following  
184 subsections:-

185  (a) the state secretary may commence a proceeding to dissolve a limited partnership if:

186  (1) the limited partnership has failed for 2 or more consecutive years to comply with the laws  
187 requiring the filing of annual reports;

188  (2) payment of any fee due the commonwealth was dishonored when presented for payment  
189 and the limited partnership has failed to correct the failure within 20 days after written notice of  
190 such failure was mailed to the limited partnership; or

191  (3) he is satisfied that the limited partnership has become inactive and its dissolution would  
192 be in the public interest.

193  (b) If the state secretary determines that one or more grounds exist for dissolving a limited  
194 partnership, he shall notify the partnership's resident agent of his determination. The notice shall  
195 be sent in writing and mailed postage prepaid to the resident agent's office, or if the resident  
196 agent consents, sent by electronic mail to an electronic mail address furnished by the agent for  
197 such purpose. The notice shall specify the annual reports which have not been filed, the fees  
198 which have not been paid and the payment which has been dishonored. If the partnership does  
199 not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the state  
200 secretary that each ground determined by the secretary of state does not exist within 90 days after  
201 notice is given, the state secretary shall administratively dissolve the limited partnership.

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203

204  SECTION 11.

205  Section 65 of chapter 109, as added by section 51 of chapter 182 of the Acts of 2008, is  
206 hereby amended by striking out subsections (a) and (b) and inserting in place thereof the  
207 following subsection:-

208  (a) The state secretary may commence a proceeding to revoke the authority of a foreign limited  
209 partnership to transact business in the commonwealth if:

210  (1) the foreign limited partnership has failed for 2 consecutive years to comply with the laws  
211 requiring the filing of annual reports;

212  (2) payment of any fee due the commonwealth was dishonored when presented for payment  
213 and the foreign limited partnership has failed to correct the failure within 20 days after written  
214 notice of such failure was mailed to the foreign limited partnership; or

215  (3) he is satisfied that the revocation of the foreign limited liability partnership's authority to  
216 transact business in the commonwealth would be in the public interest.

217  (b) If the state secretary determines that one or more grounds exist to revoke the authority of  
218 the foreign limited partnership to transact business in the commonwealth, he shall notify the  
219 foreign limited partnership's resident agent of his determination. The notice shall be sent in  
220 writing and mailed postage prepaid to the resident agent's office, or if the resident agent  
221 consents, sent by electronic mail to an electronic mail address furnished by the agent for such  
222 purpose. The notice shall specify the annual reports which have not been filed, the fees which

223 have not been paid and the payment which has been dishonored. If the partnership does not  
224 correct each ground for revocation or demonstrate to the reasonable satisfaction of the state  
225 secretary that each ground determined by the secretary of state does not exist within 90 days after  
226 notice is given, the state secretary shall administratively dissolve the limited partnership.

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229 SECTION 12.

230  Chapter 109, as so appearing, is hereby further amended by adding the following new  
231 sections:-

232 Section 67. Good Standing

233  A limited partnership shall be deemed to be in good standing with the secretary of state if  
234 such limited partnership appears, from the records of said secretary, to exist and has paid all fees  
235 due to the secretary, and no certificate of cancellation has been filed by or with respect to the  
236 limited partnership. Upon the request of any person and payment of such fee as may be  
237 prescribed by law, the state secretary shall issue a certificate stating, in substance, as to any  
238 limited partnership meeting the requirements of this section, that such limited partnership  
239 appears, from the records in his office, to exist and to be in good standing, and stating the  
240 identity of any and all general partners who are named in the most recent document filed with the  
241 state secretary.

242 Section 68. Pre-clearance of Filings

243  The fee for examining and provisionally approving any record at any time before the  
244 record is presented for filing is \$100.00.

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246

247 SECTION 13.

248 Section 17 of chapter 156A of the General Laws as appearing in the 1996 Official Edition, is  
249 hereby amended by striking out paragraph (a) and inserting in place thereof the following  
250 paragraph:-

251  (a) A foreign professional corporation shall register under the provisions of this section if the  
252 corporation would be required to incorporate under this chapter if organized in the  
253 commonwealth and

254  (1) it maintains an office in the commonwealth; or

255  (2) any of its shareholders, officers, or directors conducts activity on behalf of the corporation  
256 in the commonwealth as to require licensing under the provisions of chapter one hundred and  
257 twelve or chapter two hundred and twenty-one.

258

259 SECTION 14.

260  Section 17 of chapter 156C of the General Laws, as appearing in the 2008 Official  
261 Edition, is hereby amended by striking subsection (a) and inserting in place thereof the following  
262 subsection:-



263 □(a) The original signed copy of the certificate of organization and of any certificates of  
264 amendment or cancellation or any judicial decree of amendment or cancellation, of any  
265 certificate of consolidation, merger or conversion and of any restated certificate shall be  
266 delivered to the state secretary. A person who executes a certificate as an attorney-in-fact or  
267 fiduciary shall not be required to exhibit evidence of his authority as a prerequisite to filing. Any  
268 certificate authorized to be filed with the state secretary shall be originally signed except as  
269 otherwise required by this chapter or permitted from time to time by the state secretary. Unless  
270 the state secretary finds that any certificate does not conform to law, upon receipt of all filing  
271 fees required by law, he shall evidence his approval on or with the document. Upon said  
272 approval and payment of all filing fees required by law, the filing shall be deemed filed with the  
273 secretary of state. Said endorsement shall be conclusive of the date and time of its filing in the  
274 absence of actual fraud.

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277 □SECTION 15.

278 □ Section 17 of said chapter 156C, as so appearing, is hereby further amended by adding to  
279 section 17 the following new paragraph:-

280 □(c) Electronic documents or transmissions may be filed with the secretary of state if, and to the  
281 extent, permitted by the secretary. The secretary of state may promulgate regulations regarding  
282 the procedures for electronic filings which supercede any inconsistent provisions of this chapter  
283 with respect to such filings.

284 □

285 □SECTION 16.

286 □ Chapter 156C of the General Laws, as so appearing, is further amended by adding, after  
287 section 17, the following new section:-

288 □17A. Correcting a Filed Certificate

289 □(a) A domestic or foreign limited liability company may correct a document filed with the state  
290 secretary if the document:

291 □(1) contains a typographical error or an incorrect statement; or

292 □(2) was defectively executed, attested, sealed, verified or acknowledged.

293 □(b) A document is corrected:

294 □(1) by preparing a certificate of correction that (i) describes the document, including its filing  
295 date, (ii) specifies the typographical error, the incorrect statement and the reason it is incorrect or  
296 the manner in which the execution was defective and (iii) corrects the typographical error,  
297 incorrect statement or defective execution; and

298 □(2) by delivering the certificate of correction to the secretary of state for filing.

299 □(c) A certificate of correction is effective on the effective date of the document it corrects  
300 except as to persons relying on the uncorrected document and adversely affected by the  
301 correction. As to those persons, the certificate of correction is effective when filed.

302 □(d) A certificate of correction cannot be used to change the effective date of a filed

303 document; provided, however, that if a document has been filed with a delayed effective date, a  
304 certificate of correction may be filed prior to said date:

305  (1) to accelerate the effective date to a date not earlier than the date of the certificate of  
306 correction, or

307  (2) to abandon a merger or amendment if the authority to do so is granted by the merger  
308 agreement or the persons approving the amendment.

309  (e) If the secretary of state permits electronic filings, defects in the electronic recording or  
310 transmission of documents may be corrected under this section to the extent permitted by  
311 regulations promulgated by the secretary.”

312  (f) The fee for filing a certificate of correction with the state secretary is \$100.00.

313  SECTION 17.

314  Section 48 of chapter 156C of the General Laws, as so appearing, is hereby amended by  
315 adding, after clause 5, the following new clause:-

316  (5A) the name of any other person in addition to any manager who is authorized to execute  
317 documents to be filed with the office of the state secretary, and at least one shall be named if  
318 there are no managers.

319

320

321  SECTION 18.

322  Section 54 of chapter 156C, as so appearing, is amended by striking paragraph (a) and  
323 inserting in place thereof:

324  (a) A foreign limited liability company is liable to the commonwealth for the years or parts of  
325 years during which it transacted business in the commonwealth without delivering to the  
326 secretary of state for filing the certificate required by section 48, an amount equal to: -

327  (1) all fees which would have been imposed by law had it duly delivered the certificate; and

328  (2) all interest and penalties imposed by law for failure to pay the fees. A foreign limited  
329 liability company is further liable to the commonwealth, for each year or part thereof during  
330 which it transacted business without delivering the certificate, an amount not to exceed \$500.00

331 except that a foreign limited liability company which has delivered such certificate shall not be  
332 liable for such penalty for the first 10 days during which it transacted business without delivering

333 such certificate. Such fees and penalties may be levied by the secretary of state. The attorney  
334 general may bring an action necessary to recover amounts due to the commonwealth under this

335 subsection including an action to restrain a foreign limited liability company against which fees  
336 and penalties have been imposed pursuant to this subsection from transacting business in the

337 commonwealth until the fees and penalties have been paid. No such failure shall affect the  
338 validity of any contract involving the foreign limited liability company, nor is a member or

339 manager of a foreign limited liability company liable for the obligations of the foreign limited  
340 liability company solely by reason of such failure, but no action shall be maintained or recovery

341 had by the foreign limited liability company in any of the courts of the commonwealth as long as  
342 such failure continues. The failure of a foreign limited liability company to register with the

343 state secretary shall not prevent the foreign limited liability company from defending any action,  
344 suit or proceeding in any of the courts of the commonwealth.

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346

347 SECTION 19.

348 Chapter 156C of the General Laws, as appearing in the 2008 Official Edition, is hereby  
349 amended by striking section 69 and inserting in place thereof:-

350 Section 69. Conversions

351  (a) As used in this section, an “other entity” means a corporation organized under chapter  
352 156D, a corporation organized under chapter 180, a foreign business corporation, a foreign  
353 nonprofit corporation and any association or entity other than a governmental or quasi-  
354 governmental organization. The term includes, without limitation, limited partnerships, general  
355 partnerships, limited liability partnerships, joint ventures, joint stock companies, business trusts  
356 and profit and not-for-profit unincorporated associations.

357  (b) A limited liability company may convert into an other entity and an other entity may  
358 convert into a limited liability company, provided in each case that if an other entity exists  
359 pursuant to the authority of a chapter of the General Laws, that chapter permits the conversion,  
360 and if an other entity is organized under the laws of a foreign jurisdiction, the laws of that  
361 jurisdiction permit the conversion.

362  (c) A limited liability company converting into an other entity shall comply with the terms of  
363 this section and of its certificate of organization and its operating agreement, to the extent they  
364 are applicable. An other entity converting into a limited liability company shall comply with the  
365 terms of any laws applicable to it and of its organic documents, to the extent they are applicable.

366  (d) A limited liability company or an other entity converting pursuant to the authority of this  
367 section (herein the “converting entity”) shall adopt a plan of entity conversion that contains  
368 substantially the information required by section 9.51 of chapter 156D to be contained in a plan  
369 of entity conversion of a business corporation, modified to account for the nature of the  
370 converting entity, as well as any information required by any laws applicable to the converting  
371 entity. The plan shall be approved by the converting entity in the manner an amendment of its  
372 organic documents must be approved.

373  (e) the converting entity shall file with the secretary of state, and with any other governmental  
374 agency with which the converting entity or the surviving entity is required to make public filings,  
375 articles of entity conversion that contain substantially the information required by section 9.53 of  
376 chapter 156D to be contained in articles of entity conversion of a business corporation or a  
377 domestic or foreign other entity, modified to account for the nature of the converting entity and  
378 the surviving entity.

379  (f) The effect of a conversion authorized by this section shall be the same as is provided in  
380 section 9.55 of chapter 156D.

381

382 SECTION 20.

383  Chapter 156C, as most recently amended by chapter 182 of the Acts of 2008, is hereby further  
384 amended by adding, after section 72, the following new section:-

385

386

387  Section 73. Pre-clearance of Filings

388  The fee for examining and provisionally approving any record at any time before the record is  
389 presented for filing is \$100.00.

390

391  SECTION 21.

392  Section 1.20 of chapter 156D, as so appearing, is hereby amended by striking paragraph (h)  
393 and inserting in place thereof the following:-

394  (h) The document shall be delivered to the office of the secretary of state for filing and shall be  
395 accompanied by the correct filing fee and any payment or penalty required by this chapter or  
396 other law.

397

398  SECTION 22.

399  General Laws chapter 156D, as so appearing, is hereby further amended by striking  
400 section 1.22 and inserting in place thereof the following:-

401  Section 1.22. Filing Service and Copying Fees

402  (a) The commissioner of administration shall issue regulations prescribing fees for the filing  
403 and copying of documents, the issuance of certificates and the handling of service of process  
404 under this Act.

405  (b) The fee for examining and provisionally approving any record at any time before the  
406 record is presented for filing is \$100.000.

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409

410  SECTION 23.

411  Section 9.50 of chapter 156D is hereby amended by striking clause (a) and inserting in place  
412 thereof:-

413  (a) A domestic business corporation may become a domestic other entity, provided that in the  
414 case of an other entity that exists pursuant to the authority of a chapter of the General Laws, that  
415 chapter permits. The conversion shall be effected pursuant to a plan of entity conversion.

416 Section 9.55 governs the effect of converting to that form of a domestic other entity.

417

418  SECTION 24.

419  Section 9.50 of chapter 156D is hereby further amended by striking clause (c) and inserting in  
420 place thereof:-

421  (c) A domestic other entity may become a domestic business corporation, provided that in the  
422 case of a domestic other entity that exists pursuant to the authority of a chapter of the General

423 Laws, that chapter permits. Section 9.55 governs the effect of converting to a domestic business  
424 corporation. If the organic law of a domestic other entity, including the chapter of the General  
425 Laws pursuant to which the other entity exists, does not provide procedures for the approval of  
426 an entity conversion, the conversion shall be adopted and approved, and the entity conversion  
427 effectuated, in the same manner as a merger of the other entity and its interest holders shall be  
428 entitled to appraisal rights if appraisal rights are available upon any type of merger under the  
429 organic law of the other entity. If the organic law of a domestic other entity does not provide  
430 procedures for the approval of either an entity conversion or a merger, a plan of entity  
431 conversion shall be adopted and approved, the entity conversion effectuated, and appraisal rights  
432 exercised, in accordance with the procedures in this subdivision and PART 13 of this chapter.  
433 Without limiting the provisions of this subsection, a domestic other entity whose organic law  
434 does not provide procedures for the approval of an entity conversion shall be subject to  
435 subsection (e) of this section and clause (7) of section 9.52. For purposes of applying this  
436 subdivision and PART 13 of this chapter:

437  (1) the other entity, its interest holders, interests and organic documents taken together, shall be  
438 deemed to be a domestic business corporation, shareholders, shares and articles of organization,  
439 respectively, and vice versa, as the context may require; and

440  (2) if the business affairs of the other entity are managed by a group of persons that is not  
441 identical to the interest holders, that group shall be deemed to be the board of directors.

442

443  SECTION 25.

444  Section 14.20 of chapter 156D, as so appearing, is hereby amended by adding the  
445 following new clause at the end thereof:-

446  (c) payment of any fee due the commonwealth was dishonored when presented for payment  
447 and the corporation has failed to correct the failure within twenty (20) days after written notice of  
448 such failure was mailed to the corporation.

449

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451

452  SECTION 26.

453  Section 14.23 of chapter 156D, as appearing, is hereby amended by striking subsection  
454 (a) and inserting in place thereof the following subsection:-

455  (a) If the secretary of state denies a corporation's application for reinstatement following  
456 administrative dissolution, he shall provide the corporation with a written notice that explains the  
457 reason or reasons for denial.

458

459  SECTION 27.

460  Section 15.30 of chapter 156D, as so appearing, is hereby further amended by striking  
461 said section and inserting in place thereof:-

462  Section 15.30. Grounds for Revocation

463  The secretary of state may commence a proceeding under section 15.31 to revoke the  
464 authority of a foreign corporation to transact business in the commonwealth if:

465  (a) the foreign corporation has failed for 2 or more consecutive years to comply with the law  
466 regarding the filing of reports with the secretary of state or the filing of tax returns or the  
467 payment of any taxes under chapter 62C or Chapter 63 for 2 or more consecutive years;

468  (b) the payment of any fee due the commonwealth was dishonored when presented for  
469 payment and the corporation has failed to correct the failure within 20 days after written notice  
470 of such failure was mailed to the corporation; or

471  (c) he is satisfied that the revocation of the foreign corporation's authority to transact  
472 business in the commonwealth would be in the public interest.

473

474